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SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, [redacted] 1916

No. [redacted] 138

THE UNITED STATES, APPELLANT,

vs.

AMERICAN-ASIATIC STEAMSHIP COMPANY ET AL.

APPEAL FROM THE DISTRICT COURT OF THE UNITED STATES FOR THE SOUTHERN DISTRICT OF NEW YORK.

VOLUME 4.

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FILED MAY 25, 1916.

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1 In the District Court of the United States for the Southern District of New York.

THE UNITED STATES OF AMERICA, PETITIONER,
v.
AMERICAN-ASIATIC STEAMSHIP COMPANY AND OTHERS, defendants. } In Equity.

Petition.

To the honorable judges of the District Court of the United States for the Southern District of New York, sitting in equity:

The United States of America, by Henry A. Wise, its attorney for the Southern District of New York, acting under the direction of the Attorney General of the United States, brings this proceeding in equity against American-Asiatic Steamship Company; William Barclay Parsons; James H. T. McMurtrie; R. H. Blake; Shewan, Tomes & Company; Anglo-American Oil Company; G. W. Piton; Thomas B. Royden; Hamburg-Americanische Packetfahrt Aktien-Gesellschaft; United States and China-Japan Steamship Company; Paul Gottheil; Wilhelm Voelkens; Thomas A. Sparks; H. W. Voelkens; W. L. Walter; R. H. Goodwin; Howard Houlder & Partners (Ltd.); Andrew Weir & Company; Houlder, Middleton & Company; William Boyd; R. A. Sewall; Barber & Company (Inc.); Lancashire Shipping Company (Ltd.); Rankin, Gilmour & Company; Dodwell & Company (Ltd.); Herbert Barber; James Barber; A. L. Hautman; Bucknall Steamship Lines (Ltd.); Skeffington S. Norton; Joseph T. Lilly; Edward M. Norton; Isthmian Steamship Company (Ltd.); and J. W. Ryan.

2 I.

Description of the defendants and of steamship lines conducted by them.

1. American-Asiatic Line.

(a) From some time in the year 1903 to the time of the filing of this petition, defendant American-Asiatic Steamship Company has been a corporation organized under the laws of the State of Maine. During all of said period it has maintained an office in the city, State, and Southern District of New York, and has maintained and operated a line of steamships, known as the American-Asiatic Line, acting as a common carrier of freight between the port of New York and ports in the territory of the Philippines, the countries of China and Japan, and other countries in the Far East.

(b) Defendant William Barclay Parsons is a resident of the city, State, and Southern District of New York, and is and has been ever

since 1903 the president of the defendant American-Asiatic Steamship Company.

(c) Defendant James H. T. McMurtrie is a resident of the city, State, and Southern District of New York, and is and has been since 1903 the secretary of the defendant American-Asiatic Steamship Company and in charge of its principal place of business at 10 and 12 Broadway, New York City.

(d) Defendant R. H. Blake, whose full name is unknown, is a resident of the State, city, and Southern District of New York, and is an employee of American-Asiatic Steamship Company.

(e) Defendant Shewan, Tomes & Company is a corporation organized under the laws of the Kingdom of Great Britain, with its
3 principal office at Hongkong, China, and branch offices at London, England; Shanghai, China; Kobe, Japan; and divers other places. From the time of the organization of the defendant American-Asiatic Steamship Company in 1903 to the time of the filing of this petition the said defendant Shewan, Tomes & Company has owned, controlled, and voted the majority of the capital stock of said American-Asiatic Steamship Company, by means of which ownership and control it has dominated and controlled the policy of the said steamship company, and during all of said period has advertised itself to be, and in effect has been and is, the "general manager of American-Asiatic Steamship Company."

2. Anglo-American Oil Line.

(a) Anglo-American Oil Company.

From sometime prior to 1903 to the time of the filing of this petition Anglo-American Oil Company has been a corporation organized under the laws of the Kingdom of Great Britain, with its principal office at London, England. During all of said period it has maintained a line of steamships between the port of New York and ports in the Territory of the Philippines, the countries of China and Japan, and other countries in the Far East, known as the Anglo-American Oil Line, and has by said line acted, during all of said period, as a common carrier of freight from said ports in the Far East to the port of New York. In the oposite direction it has acted as a private carrier of freight.

(b) G. W. Piton, whose full name is unknown, has throughout said period acted as the New York agent of said line. He is a resident of the city, State, and Southern District of New York.

4 3. United States & China-Japan Line.

(a) Defendant Thomas B. Royden is and has been since 1903 a resident of Liverpool, England, and the owner of a large number of steamships.

(b) Defendant Hamburg-Amerikanische Packetfahrt Aktien-Gesellschaft is and has been since 1903 a corporation organized

under the laws of Germany, with its principal office at Hamburg, Germany, and the owner of a large number of steamships. It is commonly called Hamburg-American Line, and will be hereinafter so referred to.

(c) From 1903 to December, 1910, defendant Thomas B. Royden, defendant Hamburg-American Line and Union Steamship Company (a German corporation not named as a defendant herein), maintained and operated a line of steamships running between the port of New York and ports in the Territory of the Philippines, the countries of China and Japan, and other countries in the Far East, acting as a common carrier of freight, and known as United States and China-Japan Line. In December, 1910, the interest of Union Steamship Company in said line was purchased by defendants Thomas B. Royden and Hamburg-American Line, who have continued to maintain the said United States and China-Japan Line as a common carrier of freight in said area to the time of the filing of this petition.

(d) Defendant United States and China-Japan Steamship Company is a corporation organized and existing under the laws of the Kingdom of Great Britain. The date of its organization is unknown to your petitioner, but it was organized by defendant Thomas B. Royden and defendant Hamburg-American Line, to be used by them as an instrument in the conduct of the said
5 United States and China-Japan Line, and has been so used from the time of its organization to the time of the filing of this petition. The said defendants Thomas B. Royden and Hamburg-American Line have owned and controlled a majority of the capital stock of said United States and China-Japan Steamship Company from the time of its organization to the time of the filing of this petition.

(e) Defendants Paul Gottheil, Wilhelm Voelkens, Thomas A. Sparks, H. W. Voelkens (whose full name is unknown), and W. L. Walter (whose full name is unknown), have from 1903 to the time of the filing of this petition been a copartnership doing business under the name and style of Funch, Edye & Company, with offices at 8 to 10 Bridge Street, New York City, and have during all of said period acted as agents and general managers of the said United States & China-Japan Line. Wilhelm Voelkens is a resident of Hamburg, Germany. All of the other members of said firm are residents of the city, State, and Southern District of New York.

(f) R. H. Goodwin, whose full name is unknown, is a resident of the city, State, and Southern District of New York, and is and has been since 1903 an employee of the firm of Funch, Edye & Company.

4. American-Oriental Line.

(a) Defendant Howard Houlder & Partners, Limited, defendant Andrew Weir & Company, and defendant Houlder, Middleton & Company are and have been since 1903 corporations organized under

the laws of the Kingdom of Great Britain, each with its principal office at London, England. From 1903 to the time of the filing of this petition the said defendants have conducted and maintained a line of steamships known as American-Oriental Line, acting as a common carrier of freight between the port of New York
6 and the Territory of the Philippines, the countries of China and Japan, and other countries in the Far East. During all of such period, defendant Howard Houlder & Partners (Ltd.) has acted as the manager and agent of the said line and has maintained an office in the city, State, and Southern District of New York for that purpose.

(b) Defendant William Boyd is a resident of the city, State, and Southern District of New York, and has been since 1903 employed by defendant Howard, Houlder & Partners (Ltd.) in its New York office in connection with its management of the said American-Oriental Line.

(c) Defendant R. A. Sewall, whose full name is unknown, is a resident of the city, State, and Southern District of New York, and has been, since 1903, employed by defendant Howard, Houlder & Partners (Ltd.) in its New York office in connection with its management of the said American-Oriental Line.

5. Barber or Dodwell Line.

(a) Barber & Company (Inc.) is, and has been since 1903, a corporation organized under the laws of the State of New Jersey, with its principal office at Bowling Green Building, 11 Broadway, in the city, State, and Southern District of New York.

(b) Lancashire Shipping Company (Ltd.) is and has been since 1903 a corporation organized under the laws of the Kingdom of Great Britain, with its principal office at Liverpool, England.

(c) Rankin, Gilmour & Company is and has been since 1903 a corporation organized under the laws of the Kingdom of Great Britain, with its principal office at Liverpool, England.

(d) Dodwell & Company (Ltd.) is a corporation organ-
7 ized under the laws of the Kingdom of Great Britain, having its principal office at London, England, and branch offices at Hongkong and Shanghai, China, and Yokohama, Japan.

(e) From 1903 to the time of the filing of this petition said defendants Barber & Company, Inc.) Lancashire Shipping Company (Ltd.), Rankin, Gilmour & Company, and Dodwell & Company (Ltd.) have maintained and operated a line of steamships, acting as a common carrier of freight between the port of New York and the Territory of the Philippines, the countries of China and Japan, and other countries in the Far East. Said line is known as the Barber Line in the traffic eastward and as Dodwell's Line in the traffic westward. During all of said period Barber & Company (Inc.) has acted as the manager and New York agent of this line and Dodwell & Company (Ltd.) has acted as the agent at Hongkong.

(f) Herbert Barber is and has been since 1903 president of Barber & Company (Inc.). He is a resident of New Jersey.

(g) James Barber is and has been since 1903 vice president of said Barber & Company (Inc.). He is a resident of the State, city, and Southern District of New York.

(h) A. L. Hautman, whose full name is unknown, has during all of said period been an employe of Barber & Company (Inc.), in connection with its management of the said Barber Line. He is a resident of the State, city, and Southern District of New York.

6. American-Manchurian Line.

(a) The Bucknall Steamship Line (Ltd.) is a corporation organized under the laws of the Kingdom of Great Britain, with its principal office at London, England. Since some time in 1905 it
8 has been the proprietor of a line of steamships known as American-Manchurian Line, running between the port of New York and the Territory of the Philippines, the countries of China and Japan, and other countries in the Far East.

(b) Defendant Skeffington S. Norton, of Pelham Manor, Westchester County, N. Y., defendant Joseph T. Lilly, of Brooklyn, N. Y., and defendant Edward M. Norton, a resident of the city, State, and Southern District of New York, have been, from 1903 to the time of filing this petition, copartners, doing business under the name and style of Norton & Son, at said city of New York, and have during all of said time acted as the agents and managers of said American-Manchurian Line.

7. Isthmian Line.

(a) Defendant Isthmian Steamship Company is a corporation organized under the laws of the Kingdom of Great Britain, with its principal office at London, England. It has since 1907 maintained and operated a line of steamships known as Isthmian Line, running between the port of New York and the Territory of the Philippines, the countries of China and Japan, and other countries in the Far East, acting as a common carrier of freight in said area.

(b) Defendant J. W. Ryan, whose full name is unknown, is a resident of the city, State, and Southern District of New York, and is and has been since 1907 the agent at New York of the defendant Isthmian Steamship Company.

II.

Combination and conspiracy.

The above-named defendants are engaged in the foreign trade and commerce of the United States and are particularly engaged
9 as common carriers of freight for hire between ports on the eastern or Atlantic coast of the United States and ports in

the Philippine Islands and in the countries of China and Japan and other countries in the Far East. In respect to said trade and commerce, the defendants are and for a long time past have been violating the provisions of the act of Congress passed July 2, 1890, entitled "An act to protect trade and commerce against unlawful restraints and monopolies" in this, that they are and have been for a long time engaged in an unlawful combination and conspiracy, unduly, unreasonably, and directly to restrain the said trade and commerce, and are and for a long time have been combining and conspiring together to monopolize and have in fact monopolized and do monopolize that part of the trade and commerce of the United States with foreign nations which consists in the transportation of freight between ports on the eastern or Atlantic coast of the United States and ports in China and Japan, and other countries in the Far East, in violation of the said act of Congress. Such unlawful combination and conspiracy are evidenced by and are the result and outgrowth of a series of wrongful acts extending over a period of many years last past and continuing to the present time and participated in by the defendants, respectively, in the manner and to the extent hereinafter more fully set forth. In participating in the various acts and agreements in pursuance of said combination and conspiracy, as hereinafter described, all of the defendants have been actuated by wrongful intent directly, substantially, unduly, and unreasonably to restrain the said foreign commerce and to monopolize the same. This proceeding is instituted to prevent and restrain defendants from further enforcing, abiding by, or engaging in the hereinafter particularly described agreements, contracts, combinations, and conspiracies in restraint of said trade and commerce, and the attempts to monopolize, and the contracts, combinations, and conspiracies to monopolize the said commerce, and thus to prevent a further violation of the provisions of said act of July 2, 1890, in the manner described.

III.

Description of the trade and commerce in which defendants are engaged.

1. There are two principal routes by which freight is carried from points in the United States to points in the Far East, namely, the route from Pacific coast ports westward across the Pacific Ocean and the route from the port of New York and other ports on the Atlantic coast eastward, via the Suez Canal. From points in the interior of the United States, freight moves by rail to the Pacific ports, thence by steamer across the Pacific or else by rail to the port of New York, thence by steamer via the Suez Canal. The tendency is for freight originating at points in the eastern portion of the United States to move to New York and go by the Suez route, because of the extremely long and expensive rail haul involved if shipment is made by the Pacific route.

Since 1903 the only steamship lines engaged in the traffic from the Atlantic coast of the United States to the Far East have been operated by defendants herein named. Each line engaged in said traffic has, during all of the time it has been in operation, maintained regular sailings between the port of New York and the various far eastern ports. During said period no other port on the Atlantic coast
11 of the United States has been reached regularly by any line. So far as petitioner is advised, no through rates are made with railroads running to New York, the rates charged by each of the steamship lines being simply the all-water rates between New York and the far eastern ports. This petition relates entirely to the traffic from the Atlantic coast, and does not involve the trans-Pacific route.

IV.

Manner and means of accomplishing the unlawful combination and conspiracy.

1. Eastward agreement.

In furtherance of the said combination and conspiracy heretofore alleged, and as a part thereof, on, to wit, April 13, 1905, defendant Barber & Company (Inc.) (part owner of Barber Line); defendant Shewan, Tomes & Company (controller through stock ownership of American-Asiatic Line); Union Steamship Company, of Hamburg, and defendants Thomas B. Royden and Hamburg-American Line (owners of United States & China-Japan Line); and Howard Houlder & Partners (Ltd.) (agents and general managers of the American & Oriental Line), by representatives all thereunto properly authorized, at London, England, met and executed a written agreement, hereto annexed and marked "Exhibit 1" and made a part of this petition, and hereinafter referred to as the "Eastward agreement." Said agreement was immediately put into effect by the parties thereto and, except for slight and unimportant modifications, has been kept in effect by them, with the cooperation and assistance of all of the defendants herein, to the time of the filing of this petition.

12 Among the provisions of the said eastward agreement were the following:

(a) It provided for a division among the lines parties thereto of the total number of sailings from New York to the Far East.

(b) It provided that the rates of freight from New York to the Far East should be made by the concerted action of the agents of all of said lines at New York, and each line agreed to be bound by the rates so established.

(c) It provided that in the case of Government contracts for the carriage of freight the lines should not compete, but that the profits made from such contracts should be divided among all the lines.

(d) It placed with the New York agents of the lines parties thereto large authority to cooperate and combine and conspire together to carry out the general scheme of monopolizing the traffic aforesaid.

(e) In order that freight might not be moved by a competitor of the lines parties to said eastward agreement, by reason of the said lines having insufficient tonnage to handle the same, the said eastward agreement contained a provision for the chartering of extra steamers by the New York agents of the said lines whenever necessary to prevent such outside lines from carrying freight, and further provided that the profits arising from the business of such chartered vessel should be divided among the lines in proportion to the number of sailings which each line is entitled to under the terms of said eastward agreement.

Said eastward agreement was immediately put in effect and each and all of the defendants have observed the terms thereof during all of the time from April 13, 1905, to the time of the filing of this petition.

13 2. Westward agreement.

On, to wit, April 13, 1905, in furtherance of the combination and conspiracy hereinbefore alleged and as a part thereof, the defendants hereinbefore alleged to have been proprietors of Dodwell or Barber Line, United States & China-Japan Line, American-Asiatic Steamship Company, Anglo-American Oil Company and American & Oriental Line, respectively, at London, England, executed an agreement, a complete copy of which, except that it lacks the date of execution and the signatures attached, is hereto attached and marked "Exhibit 2" and made a part of this petition and hereinafter referred to as the "westward agreement." Said agreement was immediately put into effect and with slight modifications has remained in effect until the time of the filing of this petition. All of the defendants herein named have cooperated and acted together in the observance of said westward agreement from the time of its adoption to the time of the filing of this petition.

Among the provisions of the said westward agreement were the following:

(a) It provided for the apportionment of the sailings westward among the various lines parties thereto.

(b) (1) It provided that the rates of freight to New York from all points in the Far East east of Singapore to be charged by each of said lines should be rates established by the joint action of the agents in Hongkong of all of the lines meeting together for the purpose.

(2) It provided that the rates of freight from Singapore and Penang to New York charged by said line should be rates made by the joint action of the agents at Singapore of said lines.

14 (c) It provided for the establishment of a deferred rebate system under which shippers confining their shipments to the

lines parties thereto should be rewarded by a return of ten per cent of the amount of freight paid by such "loyal" shippers.

(d) It provided that for the purpose of excluding outside competition rates might be temporarily lowered.

3. Pooling agreement.

In furtherance of the said combination and conspiracy heretofore alleged and as a part thereof, on said April 13, 1905, defendants hereinbefore alleged to have been at that time proprietors of Barber or Dodwell Line, United States & China-Japan Line, American & Oriental Line, and Anglo-American Oil Line, by their representatives acting under the authority and on behalf of said proprietors, executed a certain other agreement, copy of which is attached hereto and marked "Exhibit 3" and made a part of this petition and hereinafter referred to as the "pooling agreement." Immediately upon executing said pooling agreement it was put into effect and has remained in effect ever since with the cooperation, consent, and assistance of the parties thereto and of each and all of the defendants herein named, and has with such cooperation and assistance on the part of all of said defendants remained in full force and effect, except for slight modifications, not altering the general intent, purpose, and effect of said agreement, to the time of the filing of this petition. Among the provisions of said pooling agreement were the following:

(a) It provided that the earnings made by each of the lines in the eastward direction should be contributed to a fund known as the "eastward pool"; that from said fund should be deducted certain expenses, and that the amount remaining should be divided among all the lines parties to the said agreement. This division was to be made annually.

(b) It provided that by similar methods the earnings of each of the lines in the westward direction should be contributed to a fund known as the "Westward Pool," and that after deducting certain expenses the balance remaining in said Westward Pool should be divided annually among all the lines parties to said agreement.

4. Pooling rules.

Slight modifications in the terms of the said Pooling Agreement have been made from time to time, and on, to wit, January 1, 1907, a general revision of the terms of said agreement was made and published in the form of a pamphlet entitled "Pooling Rules," copy of which is hereto attached and marked "Exhibit 4" and made a part of this petition. The modifications of the terms of the Pooling Agreement made by the adoption of the Pooling Rules relate only to details and do not change the general plan or the general method of the pooling system embodied in the Pooling Agreement.

V.

Acts done in furtherance of agreements.

1. Conferences.

In furtherance of the combinations and conspiracies heretofore alleged and particularly in furtherance of the said Eastward, Westward, and Pooling Agreements and of the modification of the Pooling Agreement known as the Pooling Rules, there have been maintained by the defendants from April 13, 1905, to the time of
16 the filing of this petition, periodical meetings or conferences of defendants, parties to the said agreements and their representatives, among such representatives being certain defendants herein named.

(a) London Conference.

From 1903 to the time of the filing of this petition, regular periodical meetings or conferences, known to the defendants as the "London Conference," have been held in London, England, composed of representatives of American-Asiatic Line; United States and China-Japan Line; Anglo-American Oil Line; Barber or Dodwell Line; American and Oriental Line, and since January 1, 1906, American-Manchurian Line. This conference in furtherance of the general scheme of combination and conspiracy and of the written agreements heretofore described, in accordance with the provisions of said written agreements, has made, established, and revised at each of said monthly meetings schedules of sailings to be adhered to by each of the various lines engaged in the traffic heretofore described in each direction, such schedules being statements of the dates upon which each line should be permitted to start a steamship in the direction stated. Said conference has performed divers other acts in furtherance of the said general scheme of monopoly and for the purposes of the said written agreements, all tending to restrain the trade and commerce hereinbefore described and to bring about a monopoly of such trade and commerce. The resolutions, acts, and determinations of said conference have been acted upon by the defendants as binding upon them respectively.

(b) New York Conference.

From 1905 to the time of the filing of this petition, regular periodical meetings or conferences, known to defendants as the "New
17 York Conference" have been held at the city of New York, composed of representatives of the American-Asiatic Line; United States and China-Japan Line, American and Oriental Line, Barber Line, and since January 1, 1906, representatives of the American-Manchurian Line. This conference has met weekly. The following defendants, representing the following lines, have composed it during all of said period: Defendant James H. T. McMurtrie and defendant R. H. Blake, representing American-Asiatic Line; defendant R. H. Goodwin and defendant Thomas A. Sparks, representing United States & China-Japan Line; defendant William Boyd

and defendant R. A. Sewall, representing American & Oriental Line; defendants Herbert Barber, James Barber, and A. L. Hautman, representing the Barber or Dodwell Line, and since January 1, 1906, defendants Skeffington S. Norton, Joseph T. Lilly, and Edward M. Norton, representing American-Manchurian Line. Said weekly meetings throughout said period have been held at the various offices of the above-named lines in the city, State, and Southern District of New York. At each of these weekly meetings the conference and the above-named defendants composing the same have agreed upon and established rates of freight to be charged by all of the lines engaged in the traffic hereinbefore described eastward from New York. The defendants have also at each of the said weekly meetings made contracts with individual shippers, under the terms of which preferential rates have been granted to such shippers, said preferential rates being substantially less than the regular rates established by the lines at the said conferences. At each of said weekly meetings, defendants have also established preferential
18 rates of freight to be charged by the various lines, based upon the locality from which such freight should have originally moved. Said weekly conferences have also compiled and forwarded to defendant Thomas B. Royden, at Liverpool, England, information as to various times of arrival and departure of ships, and other information, all for the purpose of enabling said Royden and others to make up the pool accounts described in the Pooling Agreement and the Pooling Rules heretofore referred to. The resolutions, acts, and determinations of said conference have been acted upon by the defendants as binding upon them respectively.

(c) Hongkong and Singapore Conferences.

From 1905 to the time of the filing of this petition regular periodical meetings or conferences, known to the defendants as the "Hongkong Conference" and the "Singapore Conference," respectively, have been held at these Asiatic cities, composed of representatives of the lines above mentioned. The said Hongkong Conference, in furtherance of the general combination and conspiracy hereinbefore alleged and of the written agreements (Exhibits 1, 2, 3, and 4), has established rates of freight to be charged by the various lines engaged in the traffic heretofore described from points east of Singapore to the port of New York. The Singapore Conference during said period has established rates of freight to be charged from the ports of Singapore and Penang to New York by the various lines engaged in said traffic. The conference at Hongkong and the conference at Singapore have been maintained in furtherance of the general scheme of conspiracy and monopoly hereinbefore alleged and particularly in accordance with the provisions on page 1 of the West-
ward Agreement hereinbefore mentioned, which provides that
19 the rates of freight shall be established by such conferences. The resolutions, acts, and determinations of said respective conferences have been acted upon by the defendants as binding upon then respectively.

VI.

Position of American-Manchurian Line.

At the time of the adoption of the various written agreements hereinbefore described—that is to say, on April 13, 1905, the lines in whose interest and on whose behalf said agreements were made were the only lines engaged in the traffic hereinbefore described. During the year 1905, however, the United States Steel Corporation, a corporation organized under the laws of the State of New Jersey, became dissatisfied with the rates of freight it was obliged to pay, and, through the influence of said Steel Corporation, the American-Manchurian Line was established as an independent line by defendant Bucknall Steamship Line (Ltd.). It became a formidable competitor of the lines parties to the written agreements, and on January 1, 1906, an arrangement was made between the lines parties to the said written agreements (Exhibits 1, 2, 3, and 4) and defendant Bucknall Steamship Line (Ltd.), by which it was agreed that the American-Manchurian Line should be represented at the conferences of the other lines, that it should maintain the rates of freight adopted by said conferences, and that the number and date of its sailing should be adjusted by said conferences. It was also arranged that said Manchurian Line should pool its freight in the westward direction but not in the eastward. From January 1, 1906, to the time of the filing of this petition, American-Manchurian Line has, by its agents, the members of the firm of Norton & Son, New York, defendants hereinbefore named, been represented at each weekly meeting of the New York Conference above mentioned. It has also been represented by divers other persons at the meetings of the London, Hongkong, and Singapore Conferences above referred to. It has endorsed and acquiesced in all the acts of the said respective conferences, and has maintained the rates of freight established by said conferences, and has confined its sailings to the number and to the times established by said conferences, and has shared its westward earnings by pooling them with the other lines in said traffic.

VII.

Position of Isthmian Line.

About five years ago the amount of freight offering for movement in an eastward direction in territory hereinbefore described had increased to such an extent that the defendants, hereinbefore alleged to have been engaged in the said traffic at that time, recognized the necessity for an increased number of sailings. In order to provide for such an increased number of sailings, and at the same time to provide that the profits from the additional sailings should be distributed among the lines then engaged in the traffic, defendant Isthmian

Steamship Company was organized as a corporation, under the laws of the Kingdom of Great Britain, by the owners of the other lines hereinbefore named. From the time of its organization to the time of the filing of this petition its stock has been owned and it has been controlled by the other defendants hereinbefore named. During all of said period this defendant has owned no steamships but has chartered steamships and as a common carrier of freight has used the same in the above-described territory. The number and dates
21 of its sailings have been determined by the various conferences of the defendants hereinbefore described, and the rates charged by it have been established by the action of said conferences. The profits made by this line have been distributed among the other lines hereinbefore described.

Defendant J. W. Ryan has, since the time of the organization of this line, acted as its agent at New York, as hereinbefore alleged. The various individuals and firms hereinbefore alleged to be the New York agents of the various lines in the traffic hereinbefore described all acted as New York agents of the said Isthmian Line to some extent.

VIII.

Deferred rebates.

In furtherance of the combination and conspiracy hereinbefore alleged, from 1903 until the time of the filing of this petition, the defendants parties to the Eastward, Westward, and Pooling Agreements, and since January 1, 1906, said defendants and defendant Bucknall Steamship Line (Ltd.), acting with them, have maintained a system of deferred rebates, by the terms of which shippers who confined their shipments to the said lines have had returned to them at stated periods 10 per cent of the amount of freight moneys paid by them during such period. This system still continues in effect in regard to the westward traffic. In relation to the eastward traffic, the system was abolished on January 30, 1911. The purpose and effect of said rebates is to induce or compel shippers to confine shipments to the lines operated by defendants under penalty of what amounts to a forfeiture of a sum of money held by such lines as a guarantee that such shippers will confine their shipments to
22 said lines. This system of deferred rebates has proved an effective means of excluding outside competition and of maintaining a monopoly of the aforesaid trade and commerce by the defendants.

IX.

As a result of the combination and conspiracy hereinbefore alleged and of the various acts hereinbefore alleged to have been done by the defendants in furtherance of said combination and conspiracy, the said defendants have acquired a complete monopoly of that portion

of the foreign commerce of the United States which consists in the transportation of freight for hire between ports on the Atlantic coast of the United States and ports in the Far East by water. Because of the combination and conspiracy hereinbefore alleged and of the acts hereinbefore alleged to have been done in furtherance thereof, the establishment of other regular lines of steamships has been discouraged and prevented so that there is no regular line of steamships engaged in the traffic in the area above described, except those lines conducted by the defendants. Moreover, as a result of the said combination and conspiracy and of the acts done in furtherance thereof, the amount of tramp tonnage, so called, has been reduced to a negligible quantity, and there is now almost no freight carried by tramp tonnage between the eastern seaboard of the United States and the Far East.

X.

Prayer.

In consideration whereof, and inasmuch as petitioner can only have adequate relief in the premises in this honorable court,
23 where matters of this nature are properly cognizable and relievable, your petitioner prays:

1. That the aforesaid unlawful combination and conspiracy and the aforesaid contracts entered into and continued by the defendants as set forth herein, and each of said contracts be declared illegal and in violation of the act of Congress passed July 2, 1890, entitled "An act to protect trade and commerce against unlawful restraints and monopolies," and the acts supplemental thereto and amendatory thereof, and that an injunction issue restraining and prohibiting the defendants and each, every, and all of them and their officers, servants, employees, attorneys, and agents from doing any act in pursuance or in furtherance thereof by the means herein described, or by any other means, and be required to desist and withdraw from all connection with the same, and that they and each of them be required and compelled to cancel and abate said unlawful contracts.

2. That the defendants and each, every, and all of them, and their officers, servants, employees, attorneys, and agents be enjoined, restrained, and forbidden from offering or paying any bonus, rebate, or reduction of freight rates in any form or guise whatsoever in consideration or because of shippers forwarding their shipments exclusively over the lines of the defendants, or some or any of them.

3. That the defendants and all and each of them, their officers, servants, employees, attorneys, and agents be enjoined and prohibited from further agreeing, combining, conspiring, and acting together to establish and maintain rules, regulations, and rates for carrying freight upon the several steamships operated by the defendants, or any of them, between ports in the United States and

the Philippine Islands and Asiatic ports in restraint of the
24 trade and commerce of the United States with foreign nations, and from entering into, or continuing in, or doing anything in aid of any combination, association, contract, or conspiracy to deprive individuals, firms, or corporations shipping freight between points in the United States and said Asiatic ports and ports in the Philippine Islands, of such facilities and rates of freight as will be afforded by free and unrestrained competition among said defendant steamship lines, or any of them.

4. That the defendants and all and each of them, their officers, servants, employees, attorneys, and agents be enjoined and prohibited from further agreeing, combining, conspiring, or acting together to injure or destroy the business of any person or corporation engaged in, or who may at any time hereafter be engaged in the business of carrying freight between points in the United States and ports in the Philippine Islands, or between points in the United States and Asiatic ports, and from further agreeing, combining, conspiring, or acting together to monopolize the said freight traffic in the trade and commerce between the United States and foreign nations, or any part thereof.

5. That the defendants and each of them, their officers, agents, attorneys, servants, and employees be enjoined and prohibited from entering into, or taking part in, or performing any contract, combination, or conspiracy, the object, purpose, or effect of which will be a restraint of, or a monopolization or attempt to monopolize trade and commerce in the transportation of freight between the United States and foreign nations, in violation of the provisions of the act of Congress approved July 2, 1890, entitled "An act to protect trade and commerce against unlawful restraint and monopolies" and the acts amendatory thereof or supplemental thereto, either by
25 agreeing or contracting together or with one another expressly or impliedly, directly or indirectly, as to the prices at which the said service of transportation of freight shall be rendered, or as to a division of said traffic among defendants' lines, or by agreeing or contracting together, or with one another, with a view to the imposition of any burden or limitation upon the service of transporting freight, or by contracting or agreeing together, or with one another, expressly or impliedly, directly or indirectly, to contribute any part of the proceeds of such transportation to any pool or general fund, or to maintain any such pool or general fund made from such contribution for the purpose of paying rebates or otherwise controlling or attempting to restrain competition among the various lines of defendants.

6. That the defendants and each and all of them, their officers, servants, employees, attorneys, and agents be enjoined, restrained, and forbidden either to enter or clear any of their ships or vessels at the port of New York or at any other port of entry within the United States of America or any of its possessions so long as they shall con-

tinue to maintain the aforesaid unlawful combinations and conspiracies, or any other such or similar combination or conspiracy.

7. That upon the filing of this petition an injunction or restraining order be granted, restraining the defendants and each of them during the pendency of this suit in the manner expressly set forth in paragraphs 1 to 6, inclusive, of this prayer.

8. That your petitioner have such other further and general relief as to this honorable court may appear to be meet and proper.

9. To the end that each and every of said defendants may, if they can, show why your petitioner should not have the relief herein prayed for, and may, according to their best and utmost
26 knowledge, remembrance, information, and belief, full, true, direct, and perfect answer make (but not under oath, answer under oath being hereby expressly waived) to each and all matters in this petition alleged and contained, and that as fully as if the same were here repeated paragraph by paragraph and they were thereunto specially severally interrogated. May it please your honors to grant to your petitioner a writ of subpœna issuing out of and under the seal of this court, directed to said defendants and each of them, commanding them and each of them on a day certain and under a certain penalty to be therein inscribed, to appear before your honors in this court, and then and there full, true, direct, and perfect answer make to all and singular the premises herein set forth, and further to stand, to perform, and abide by such further order or decree as to your honors shall seem meet, and your petitioner will ever pray.

HENRY A. WISE,
United States Attorney for the Southern District of New York.

JAMES A. FOWLER,
Assistant to the Attorney General.
EDWIN P. GROSVENOR,
STANLEY D. MONTGOMERY,
Special Assistants to the Attorney General.

27 EXHIBIT 1.

Memorandum of Agreement (Called the Eastward Agreement) Regarding the Trade Between the Atlantic Ports of the U. S. A. and Eastern Asiatic Ports.

Eastward agreement.

United States of America to the Straits, Manila, China, and Japan.

For the better regulation of the trade between the Atlantic ports of the United States of America and Eastern Asiatic ports it is hereby agreed as follows:—

1 That on the basis of forty-one sailings per annum the total shall be divided as follows:

United States and China-Japan Line	13 sailings.
Messrs. Barber & Co.'s Line	13 sailings.
The American and Oriental Line	8 sailings.
The American-Asiatic S. S. Co	7 sailings.
	41 sailings.

No other sailings can be admitted without the consent of two-thirds of the signatories based on their respective number of sailings.

The sailings allotted to each of the signatories shall be distributed as nearly as possible at regular intervals throughout the twelve months, and the order of taking the berth shall be mutually arranged by the agents in New York.

2. That the fundamental condition of this agreement is to be close cooperation, and in order to secure this result the rates of freight from America to the East shall be controlled and mutually determined by the agents in New York, who before naming or altering a rate on any commodity shall first confer and agree amongst themselves as to the rate to be named and/or the reduction to be made.

All engagements shall be reported to one another by the agents in conference the first business day of each week, and copies of freight lists are to be exchanged not less than three weeks after the departure of each steamer.

28 3. That all contracts shall be taken for joint account, and where such contracts cannot be divided such shortages shall be made good to the parties in arrear out of the other contracts previously or subsequently secured, it being the purpose to equitably divide all bookings. Each line shall, however, be entitled to book cargo specifically for their next steamer to be despatched, provided ready to load within 30 days. No line to book cargo specifically for a steamer until allowed to do so by a two-thirds majority vote of the New York agents, based on their principals' respective number of allotted sailings.

4. That engagements of petroleum in cases, phosphate rock, and coal are not necessarily joint operations, but competition for such articles is to be avoided and the closest possible cooperation is to be aimed at. Bookings of petroleum in cases, phosphate rock, and coal are to be reported as soon as fixed.

5. That shipments of the Quartermaster's Department, the Navy (excluding coal), and the insular department, and/or any other Government department, shall be taken for joint account and pooled on a basis to be agreed between the respective agents in such a way that all may obtain their proper proportion of the benefits arising from such contracts. Shipments of specie and explosives shall be dealt with in like manner.

6. That no return of any description be given to shippers, contractors, etc., and where freight brokerages are paid the amount shall not exceed one and one-quarter per cent, unless where mutually agreed by all agents to the contrary.

7. That in order to avoid unnecessary expense and possible delay, the respective parties shall nominate one of the firms of agents in New York to act for the time being as the mouthpiece of the associated agents; and also shall appoint one of their own number to act in a similar capacity on this side. All cabled enquiries regarding matters of policy, important contracts, etc., shall be communicated to the respective parties through this channel, and their replies forwarded in the same way; but it is understood that this
28 arrangement in no way interferes with the right of each signatory to communicate with his own agents whenever and however he thinks fit.

8. That in all matters of detail not herein decided the settlement shall be left in the hands of the agents in New York, who shall as far as possible be given a free hand in the conduct of their business.

9. That where it is considered advisable to book cargo for account of the associated lines, which through lack of accommodation on the regular steamers might otherwise fall into the hands of competitors, such cargo shall be taken care of by chartering additional tonnage, the result to be divided in proper proportion between the various interests, and the loading commission credited to the agents pro rata to the share in the trade which each of the signatories hold, based on their respective number of sailings.

All questions connected with the bookings of such additional cargo and the chartering of tonnage shall be governed by a two-thirds majority vote of the New York agents, based on their principals' respective number of allotted sailings. Each service to charter and load such extra tonnage in turn.

10. That the whole purpose of this agreement is an equitable and fair division of the traffic between the services, to work openly and fairly with one another, and to avoid any and all steps by which even the appearance of undue advantage is given. Should therefore conditions and questions arise which are not herein provided for, the purport and not the strict wording of this agreement is to be considered.

11. That no steamer of a greater carrying capacity than 8,000 tons all told is to be loaded under this agreement, except by the unanimous consent of the agents.

12. That should any disputes arise under this agreement they are to be left to the decision of the signatories to this agreement, whose voting power shall be pro rata to their share in the business.

Should any decision so arrived at be objected to by any party or parties hereto, the matter shall be referred to the decision
30 of two arbitrators, who shall be commercial men in London, New York, or Hong Kong, whichever place in the opinion of the majority of the signatories, as above, is best suited for the purpose, one to be appointed by the party or parties claiming or objecting as the case may be, and the other by the party or parties against whom the claim or objection is made; or in the case of a question as to the validity of a settlement by those parties who are content with

the settlement as presented; with power to such nominated arbitrators to appoint an umpire whose decision shall be final and conclusive between all the parties to this agreement, and for the purposes of any such reference this agreement shall be deemed to be a submission to arbitration within the meaning of the arbitration act, 1899, or any statutory modification or re-enactment thereof for the time being in force, the provisions whereof shall apply as far as applicable.

13. That this agreement is to commence with steamers sailing from their first loading port in the U. S. A., on or after April 1st, 1905, and to remain in force until cancelled by any of the parties thereto giving six months' written notice of their desire to withdraw, such notice not to be given previous to 1st day of July, 1906.

By authority of Barber & Co. (Incd.):

WALTER CHAMBERS.
WILLIAM ADAMSON & Co.,
On Behalf of Shewan Tomes & Co.

Per Pro. T. B. Royden, and by written authority of the Hamburg America Line and the Union S. S. Co. of Hamburg:

P. L. ROOPER.

For The American & Oriental Line, Howard Holder & Partners (Ltd.):

ALEX. FREELAND, *Director*,
General Managers.

Witness to the signatures of Wm. Adamson & Co., P. L. Rooper, and Alex. Freeland:

ARCHD. MACLEAN,
Anglo American Oil Co. (Ltd.),
22 Billiter Street, London, E. C.

31 EXHIBIT 2.

Memorandum of agreement regarding the trade between Japan, China, Manila, Straits, and Malabar Coast, to U. S. A., via Suez.

Japan, China, Manila, Straits, Malabar Coast to East Coast, U. S. A., via Suez.

It is desirable to prevent competition for the same cargo among the representatives in the Far East of the signatories hereto, and also to prevent their steamers from clashing while loading.

It is therefore agreed as follows:

Rates of freight.

1. That the rates of freight to New York and /or other ports on the east coast of the U. S. A., from all ports east of Singapore, shall be controlled and determined by the agents in Hongkong, who shall all work together for this purpose; agents at all other ports to be expressly prohibited from making a rate on any commodity or

reducing any existing rate without the sanction of the Hongkong agents in each case. The allotment of space to be filled shall be in the hands of the Hongkong agents of each steamer.

2. That the agents in Hongkong before naming or reducing a rate from that port, or any port east of Singapore, shall confer and agree amongst themselves as to the rate to be named and/or reduction to be made.

Competition.

3. That the rates thus made shall be the minimum rates accepted, and no reduction from such rates shall be made unless unanimously agreed to by all the representatives in Hongkong of the parties named; except only that in the event of any outside steamer loading and quoting a lower rate at any port than the boats of the parties named, then the joint agents at that port may allow the boat
32 preceding and following or alongside (two only) such competing steamer to accept whatever rate the competing steamer may quote, but it is understood that the Hongkong body is to be consulted beforehand, if possible.

Singapore and Penang.

4. That the rates of freight from Singapore and Penang shall be fixed and altered by the agents at Singapore of the parties named, in conference, in exactly the same manner as provided in clauses 2 and 3 as regards Hongkong.

Rebates, brokerage, &c.

5. That no private rebate, brokerage (except such as is customary to a legitimate broker), share of commission, or refund of any kind be paid to any one, directly or indirectly. All existing contracts to be declared by the various signatories.

Agents.

6. That no more than one firm of agents for the westward business of each line is to be allowed at each port, except that in the Straits Messrs. Boustead & Co. and Messrs. Huttenbach Bros. & Co. may act as joint agents for the American & Oriental Line.

Number of sailings.

7. That on a basis of 46 loadings per annum, it is agreed that this total shall be divided as follows:

Dodwell & Co., Ltd	15½ xx	loadings.
T. B. Royden, The Hamburg-Amerika Linie, and The Union S. S. Co. of Hamburg	10½ xx	"
Shewan, Tomes & Co	7	"
Anglo-American Oil Co	8	"
The American & Oriental Line	5	"
	46	"

The Anglo-American Oil Co. to confine its loadings as far as possible to its own steamers.

No other loadings to be admitted, except by consent of two-thirds of the votes of the signatories, based on their respective number of loadings.

The sailings allotted above to each of the signatories shall be distributed as nearly as possible at regular intervals throughout the twelve months, and the order of taking the berth shall be mutually arranged by all the agents in Hongkong.

33 Reduction and increase of sailings.

8. That in the event of the 46 loadings specified above proving too few or too many for the trade of any one year, the share of the five interests dividing these 46 turns shall be increased or reduced proportionately as may be found necessary. If a reduction should become necessary, the U. S. and C. J. Line interest to reduce first, and the second reduction to be made by the Dodwell interest. The other interests to follow in turn. On the other hand, should an increase in the number of sailings be found necessary, the American & Oriental Line is to have the first increase, the U. S. & C. J. Line the second, Dodwell & Co., Ltd., the third, and the other interests to follow in turn.

Notice of intention to load.

9. That as soon as possible a schedule be drawn up in England shewing the approximate dates for the despatches allocated to the various lines for the ensuing 12 months, and that the earliest possible notice shall be given by any one of the signatories to each of the others of his intention to load any given steamer on this berth; such notice shall be given in Hongkong not less than six weeks before the date on which the steamer is expected to be ready to begin loading at Yokohama or other first port as may be decided by the committee. Messrs. Shewan, Tomes & Co., or any interest requiring to charter, shall not be required to give more than three weeks' notice, but shall do all in their power to give a longer notice.

Substitutes.

10. That a steamer having been declared and her turn agreed, and being subsequently withdrawn from the berth, may be replaced by another of the same signatory, provided that the position of the latter is similar to that of the boat withdraw, and that in carrying capacity the two steamers are about equal or that the agent agrees to accept as a full loading for the substitute the capacity of the boat withdrawn. Otherwise a substitute can be put in only by general consent, or the turn will be lost.

11. That if any one party should at any particular time be short of tonnage, and another of the signatories have a surplus of vessels at the same time, the wants of the former may be supplied by the latter, but the agents of the former shall load the steamer and receive the usual commission for so doing. If at any given time none of the signatories should have prompt tonnage to meet the requirements of the trade and fill a turn, it is desirable that the wants be supplied by preference from steamers belonging to the "lines" trading regularly with the Far East, and for this purpose Messrs. T. B. Royden, of Liverpool, Wm. Adamson & Co., of London, and Dodwell & Co., Limited, of London, are hereby authorized to act in the matter when called upon to do so by the agents generally in Hongkong. Such steamer to be loaded by her own regular agents.

Movements of steamers.

12. That the movements of the boats at loading ports east of Hongkong shall be regulated by the Hongkong agents, so that the berth be kept as well supplied with tonnage as possible at fairly regular intervals, and the boats shall not be allowed to "jockey" each other.

Loading ports.

13. That all boats shall load at Yokohama, Kobe, Shanghai (if 300 tons or over offer), Foochow (if 300 tons or over offer), Amoy (if 200 tons or over offer), Hongkong, Manila (if 800 tons of hemp, or 2,000 tons measurement offer), Singapore, and the Malabar Coast (if 1,000 tons of local scale, or, say, 1,250 tons of 40 cubic feet offer), but no steamer shall be compelled to load at more than six of these ports altogether, unless as provided under clause 15. One at least of these six ports to be either Kobe or Yokohoma, provided not less than 300 tons be obtainable; in any case the steamer must retain the loading turn originally assigned to her. It is within the discretion of the Hongkong agents to vary the ports named above, either by omission or substitution.

Straits cargo reservation.

14. That each boat shall reserve for Singapore and/or Penang, a minimum of 1/8th of her capacity, until the Singapore agents shall advise the Hongkong agents (as a body) that less space is required.

Insufficiency of cargo.

15. That in the event of any steamer finding a difficulty in obtaining all the cargo she requires to fill up without delay to herself and the steamer or steamers following her, her agents shall be bound as far as possible to fill her requirements by accepting cargo at any or all of the ports named in clause 13. Should

she be unable by so doing to get the balance required, or by calling at some port or ports not far out of the steamers' usual route, she may be allowed to wait and block the boats behind her, but not otherwise.

Agents.

16. The agents of the parties named at Singapore, Hongkong, Manila, and Cochin are as follows:

Hongkong.

Hamburg-Amerika Linie	H. A. Agent.
Union S. S. Co., of Hamburg	Carlowitz & Co.
T. B. Royden	Jardine, Matheson & Co.
Dodwell & Co. (Limited)	Dodwell & Co. (Limited).
Shewan, Tomes & Co	Shewan, Tomes & Co.
Anglo-American Oil Co	Standard Oil Co.
American and Oriental Line	Arnhold, Karberg & Co.

Singapore.

Hamburg-Amerika Linie	Behn, Meyer & Co.
Union S. S. Co., of Hamburg	Do.
T. B. Royden	Do.
Dodwell & Co. (Limited)	Paterson, Simons & Co.
Shewan, Tomes & Co	Gilfillan, Wood & Co.
Anglo-American Oil Co	Standard Oil Co.
American and Oriental Line	Boustead & Co., and Huttenbach Bros. & Co.

Manila.

Hamburg-Amerika Linie	Behn, Meyer & Co.
Union S. S. Co., of Hamburg	Do.
T. B. Royden	Stevenson & Co.
Dodwell & Co. (Limited)	Macondray & Co.
Shewan, Tomes & Co	Castle Bros., Wolf & Sons.
Anglo-American Oil Co	Standard Oil Co.
American and Oriental Line	Smith, Bell & Co.

36 *Malabar Coast.*

Hamburg-Amerika Linie	Volkart Bros.
Union S. S. Co., of Hamburg	Do.
T. B. Royden	Do.
Dodwell & Co. (Limited)	Pierce, Leslie & Co.
Shewan, Tomes & Co	Do.
Anglo-American Oil Co	
American and Oriental Line	

to each of whom a copy of this agreement shall be sent by his principal by the mail leaving London on the 29th July, 1904, with instructions that it is to be honourably carried out in spirit as well as letter.

Instructions to agents.

17. That each of the parties named will instruct their agents at every Japanese and Chinese port by the mail of July 29th, 1904, that, as regards this berth, the agents are to do nothing in the way of quoting rates except under instructions from the Hongkong agents (except as provided in clause 3); that the other agents' telegrams to their principals are to be sent through or repeated to the Hong Kong agents; and that at all ports they are to work together with the representatives of each of the parties to this agreement in carrying it out, for which purpose a copy is to be sent them for their private information.

Basis of rates.

18. That in fixing rates the agents in Hongkong and Singapore shall endeavour to do so on a basis reasonably profitable to the shipowner, without being so high as to attract competition or impede trade in any commodity.

Limit of carrying.

19. That no steamer shall carry more than a total of 6,000 tons of weight and/or measurement from Japan, China, and Hongkong, except by the consent of all the parties in Hongkong.

Rebate scheme.

20. That in order to preserve the trade as far as possible for those recently and now supplying it with tonnage, it is considered necessary that shippers should be bound to them by a system of deferred rebates, made payable to the shippers in the Far
37 East, so as to avoid raising the question of the legality in the United States of such an arrangement, and it is intended to take steps at once to formulate a plan for carrying out this idea.

Rebates at Straits Settlements and Malabar Coast.

21. It is evident that this arrangement can not be complete without extending the system of cooperation and of rebates to the Straits Settlements and the Malabar Coast, and the intention is to give effect to this point.

Notice of termination.

22. That this agreement be in force from the 1st January, 1905, and remain in force until cancelled by any of the parties hereto giving six months' written notice of a desire to withdraw. Such notice not to be given previous to the first day of January, 1906.

23. In order to preserve harmonious relations with one another, and to avoid friction, the signatories bind themselves and their respective supporters, during the currency of this agreement, to ab-

stain from attacking, or competing for, any trade in which any other of the signatories may at present be engaged.

Penalties.

24. That any breach of this agreement in respect of the agreed conditions by any one or more of the signatories shall render each offender liable to a penalty of one thousand pounds sterling (£1,000 0s. 0d.), or a forfeiture of all profit made by the breach, whichever amounts to the most money. The amount of such penalty or forfeiture shall be divided among the other signatories pro rata according to their interests in the annual loadings agreed. In the event of such breach being committed through inadvertence or without knowledge on the part of the offending signatory, or his agents or principals, the penalty of one thousand pounds shall not be exacted, but the gross profit made through such breach shall be forfeited and divided as above.

This agreement was made and completed in London, on —— as per signatures attached.

38 EXHIBIT 3.

Pooling agreement.

Pooling agreement between the owners (including chartered owners) of the steamers now being run or to be run in the trade between the Atlantic ports of the United States and the Far East, as set forth in the agreements dated 13th day of April, 1905.

In order to consolidate the position of the associated lines and to provide a method of meeting outside opposition that may be effective, and at the same time fair and equitable to all concerned, it is hereby agreed that the nett freights earned by all the steamers loaded from the Atlantic ports of the United States to the Far East, and vice versa, in accordance with the terms of the eastward and westward agreements, dated 13th April, 1905, shall be pooled and treated as hereinafter provided.

1. The steamers run in the trade eastward and westward, respectively, shall be managed and disbursed by their respective owners as at present, who shall make up as soon as possible after the termination of each steamer's voyage eastward and/or westward a statement showing all the necessary pooling particulars in the forms prescribed and attached. These statements, together with all supporting vouchers, copies of manifests, certificates of cargo space and dead-weight capacity, and time statements showing dates and time of all arrivals and departures in prescribed form, are to be forwarded as soon as possible to T. B. Royden, Liverpool, who shall prepare at the end of each year two general pooling accounts, one for all the eastward voyages and one for all the westward voyages during the year, in which the owners of each of the said steamers shall be debited with all nett freights received by them in respect of

such voyages, and the respective pooling accounts credited with the same, and a proper distribution of the balance of such pool shall be made as below.

2. The nett freights above referred to shall be arrived at by deducting from the whole gross freights (being all freights received in respect of cargoes carried by the steamers, whether under deck or on deck, in holds or in peaks, whether chartered freights or on ship's account), the following:

(a) The whole of the steamer's port charges (except as specified at the end of this clause), compulsory pilotages, tonnage dues, light dues, Suez Canal dues and incidental charges, wharfages, customs' overtime, surveys on holds and hatches, towages and removals in harbour boatmen and running lines for cargo purposes, ordinary advertising in all ports (but not advertisements re passengers or crew), agents' fees, say, £10 10s. 0d., at each outward port of discharge, and ½% on the westward freight at New York or other port of discharge in U. S. A. cables (except private), watchmen, consular fees (except where incurred on account of crew) on basis of British consular charges, bills of health, etc., and quarantine expenses, except such as are due to an outbreak of sickness on board or to carrying passengers, and in the case of any steamer proceeding via the cape route by order of the conference, a sum equal to forty per cent of the Suez Canal dues thereby saved to the pool. Port expenses at ports at which steamers call for the exclusive purpose of coaling, supplies, or repairs, and / or in distress or under general average or on account of passengers, are not to be deducted from the gross freights.

(b) All loading and discharging expenses, viz, stevedoring bills (including overtime), tallying cargo, dunnage, cost of magazines, charges on transshipments, cartages, etc., insurance on cargo stored and awaiting shipment, lighterage and storage, charges on heavy lifts, and gratuities to wharfingers. Ships to provide gear to lift cargo up to five tons weight and sufficient steam to run all winches simultaneously.

(c) All loading commissions (say, 5% on the freight), brokerages, rebates, transshipments, cartages, railages, and storages. In the event of it being found necessary in the interests of the conference to pay a war premium on any steamer or freight, an equitable contribution, based on the rate current at the time the necessity is notified to the owners in question, shall be made by the pool to them.

(d) All discounts, rebates, or allowances received back by the owners on any of the above charges are to be credited back to the pool.

3. The respective pooling accounts shall then be debited, and the owners of the several steamers shall be credited with the following:

Eastward pool.—Initial hire and coaling allowance as specified in subclauses A and C.

Westward pool.—Initial hire and coaling allowance as specified in subclauses B and D.

Initial hire is to be reckoned at the date of .60d. per day of 24 hours per ton of 40 cubic feet of bale space provided for cargo while the steamer is on hire to the pool, either eastward or westward. The total times while in port are to be added together; fractions of a day of 12 hours or over are to count as a whole day; under 12 hours are not to count. While at sea initial hire is to be counted as one day for each 240 nautical miles steamed as per schedule of distances attached hereto, the total distance steamed being divided by 240 miles, and any fraction of 240 miles remaining over to be counted as one day if one half or over, and not to count if less than one half.

It is understood that under no circumstances can a steamer be earning initial hire at one and the same time from both eastward and westward pools, nor does a steamer earn initial hire when not available in port for cargo working through dry-docking or repairs or other causes, nor when in port for ship's purposes only, viz, coaling and otherwise, as provided in clause 5.

Coaling allowance is to be reckoned at the rate of .16d per unit ton of 40 cubic feet of bale space provided for cargo for each 50 nautical miles steamed, as per schedule attached hereto, the total distance steamed being divided by 50, and any fraction remaining over
41 to be counted as 50 miles if one-half or over, and not to count if less than one-half. Under no circumstances can a steamer earn coaling allowance for the same distance steamed at the same time from both eastward and westward pools. Owners are to guarantee that their steamer shall proceed at full usual speed whenever practicable, but not necessarily at exceeding 10 knots average.

(A) Initial hire eastward is to begin when the steamer is ready to go on the loading berth at her assigned first port of loading, or in the event of such assigned port being other than New York at such date as would allow her time on the basis of 240 miles per day, to proceed from her last preceding port or New York, whichever is nearer, to such port, when she is not already at such assigned port. Initial hire is not to count before the date allotted to the steamer by the New York conference committee, and is to continue (subject to the general provisions above) as follows:

In the event of a steamer not entering on a westward pool voyage immediately after her eastward pool voyage till the completion of her discharge at her last port. In the event of a steamer making her last port of eastward discharge her first port of westward loading till completion of her discharge. In the event of a steamer beginning her westward loading at the penultimate port of eastward discharge, the initial hire due to such steamer for the time she is in that port and in her last port of discharge (i. e., the second port of loading) shall be allocated to the eastward and westward pools in proportion to the number of manifest tons loaded and discharged at such ports. In the event of a steamer completing her discharge at some other port than a port in Japan between Nagasaki and Yokohama by either route, extra initial hire and steaming allowance shall be allowed to such steamer from the completion of her discharge on the basis of the

schedule distance from such port to Moji Kutchinotzu or Yokohama, whichever distance is least.

(B) Initial hire westward is to begin when a steamer is ready to begin loading at her first-assigned loading port (subject to the
42 provisions of subclause A as to the penultimate port of eastward discharge being the first port of westward loading), or in the event of a steamer being ordered from the port where her eastward initial hire ends to any other first port of loading, from the time she is ready to leave such port of termination of eastward initial hire.

In the case of a steamer not loaded out on the eastward pool berth her initial hire westward shall start from such port in Japan as may be assigned by the Hongkong conference committee, but in the event of her being ordered to begin loading at some port not in Japan, should such assigned port be at a greater distance from her last port of eastward discharge than the nearest of the Japanese ports named in the preceding paragraph 3 a, an allowance for such extra distance is to be made on the 240 mile a day basis.

Initial hire is not to count before the date allotted to the steamer by the Hongkong conference committee.

Initial hire is to continue (subject to the general provisions above) till completion of the steamer's discharge at her last port in the U. S. A.

(C) Coaling allowance eastward is to be reckoned according to the total schedule distances steamed, such distances to be those for which the steamer is credited with initial hire under clause 3 A.

(D) Coaling allowance westward is to be reckoned according to the total schedule distances steamed, such distances to be those for which the steamer is credited with initial hire under clause 3 B.

4. The balances of the said pooling accounts, after crediting them and debiting them with the amounts as aforesaid, shall be ascertained, and the rate per cent which such balances bear to the total of the initial hire credited to the owners of all the steamers included in the respective pools shall be calculated. The owners of each steamer are to be then credited with an amount the equivalent of the rate per cent so ascertained upon the amount of the initial hire of each of such owners' steamers included in each pool, as, for instance, should the balance remaining equal to 10% on the total initial hire paid
43 for all the steamers in either pool, the owners of each steamer will be credited with an additional 10% upon the initial hire money of their steamer. Those owners who are then found to be indebted to the pool shall forthwith pay the amount of such indebtedness to the pool managers, and the managers upon receipt of same shall pay to the owners who have a balance in their favour the amount of such balances.

The pooling accounts shall be made up every 12 months, and shall cover all the steamers commencing to load out or home from January 1st to December 31st in any one year, but in the event of any one or more of the said steamers being lost, missing, or in any way incapacitated by serious accident from completing her voyage in ordi-

nary course, this agreement shall be terminated as regards such steamer as from the date upon which she finished her preceding outward or homeward voyage as hereinbefore provided, unless upon the happening of any such event it be otherwise arranged between the parties hereto.

5. In the event of loss of time from deficiency of men or stores, quarantine through sickness or infection on board, break-down of machinery, stranding or damage, preventing the working of the vessel for more than 24 consecutive hours, the payment of initial hire shall cease until the steamer be in an efficient state to resume her service; but should the vessel be driven into port or to an anchorage by stress of weather or by any accident to the cargo, or should she be detained by quarantine regulations not due to sickness or infection on board nor to the carrying of passengers, such detention or loss of time shall not be deducted from the period for which initial hire shall become due, but any contribution recoverable by the steamer from general average on account of the above is to be credited to the pool. No hire is payable during such time as a steamer is in a port of call for bunker purposes only, or is not entirely available for cargo purposes, as for example when dry docking or undergoing structural repairs. Due notice of the time and date of such docking and/or repairing must be given in by the agents of the steamer con-
44 cerned to the secretary or official representative of the local conference agents at the time of the occurrence.

6. No party shall participate in the pooling of any portion of the out and home voyage in respect of any steamer whose freight, eastward or westward as the case may be, is not brought into account and pooled.

7. Should any steamer be entitled by arrangement made by the conference as a whole to receive any special payment or allowance on any voyage out of the pool, the amount thereof shall be credited to the owners of that steamer in the next pooling account, before division.

8. Passage money (if any) shall not be brought into the pool, but each owner shall defray all expenses and undertake all risks connected with the conveyance of passengers either eastwards or westwards, and shall retain any passage money received on this account in respect of his steamers for his sole benefit, but in case the space or deadweight capacity required for pool purposes be reduced thereby a suitable allowance shall be made to the pool.

9. Freight on deck cargo, including live stock, is to be treated as ordinary freight, but in the case of live stock the risk is to be for ship's account. Expenses of carrying live stock are to be treated as loading and discharging expenses, under clause 2, subsection b. Attendants' passages are to be allowed for to ship at the rate of 2/6d. per diem, unless they provide their own food in which case no charge is to be made.

10. Cargo space.—The actual space available for cargo in any steamer loaded under the provisions of this agreement shall be meas-

ured in New York before loading commences, or after discharge is completed as the case may be, by an approved measurer, to be appointed by the conference agents, as soon as convenient, and the measurements so effected shall then be scheduled in tons of 40 cubic feet in the schedule attached to this agreement. In the case of both eastward and westward steamers, the agents at the last port of loading must give a certificate showing the spaces (if any) available for cargo, but not used through lack of cargo or similar causes.

45 These measurements shall be accepted by all parties hereto as showing the correct actual space available for cargo. Peaks lazarettes or any other similar spaces, only if used for cargo, are to be measured and allowed for. A certificate must be granted in the case of steamers on the eastward berth after completion of loading in New York by the official measurer, and in the case of steamers on the westward berth on completion of loading at the last port of call for cargo, by the representative of the conference agents at that port, showing the amount of dead-weight capacity available for cargo; which certificate must be forwarded in due course, with particulars of the measurements and other pool documents, to the pool managers for their inspection.

11. In the event of there being insufficient cargo to fill the available cargo space and to put the vessel down to her marks, the owners bind themselves to use their best endeavours to utilise the extra space or dead-weight capacity thus obtained for bunker purposes. Any economy thereby obtained is to be credited to the pool.

12. The owners of each steamer shall pay the whole of the working expenses of their steamer of every kind whatsoever, which are not specially provided for in this agreement, and shall undertake all risks and responsibilities connected with such steamer, which are not specially provided for in this agreement.

13. Each steamer undertakes to give 14.5 cwts. lifting capacity per ton of 40 cubic feet of cargo space when required, failing which her units for pooling shall be reduced accordingly. Unless otherwise mutually agreed the limit of size of steamers employed either eastward or westward shall be 10,300 tons of 40 cubic feet bale space, but steamers which have been regularly running in the trade for one voyage or more, or are now loading, are to be admitted to the pool even though in excess of the limit above.

14. The conference agents are authorised to engage lawful coast freight, live stock, explosives, and deck cargo of a harmless nature for account of the conference, which the respective owners are

46 bound to carry on their steamers provided the seaworthiness or safety of the vessels be not jeopardised thereby, and such freight shall be considered part of the gross freight either eastward or westward as the case may be.

15. Should it be found that through unforseen circumstances the provisions of this pooling agreement press hardly on any individual steamer, it is agreed that the signatories shall take the matter up and deal with it in the spirit of this agreement, which is that there should

be a general community of interest and that all should share equally in the advantages or, if need be, the losses that may arise therefrom.

16. Should any disputes arise under this agreement they are to be left to the decision of the signatories to this agreement, whose voting power shall be pro rata to their share in the business.

Should any decision so arrived at be objected to by any party or parties hereto, the matter shall be referred to the decision of two arbitrators, who shall be commercial men in London, New York, or Hongkong, whichever place in the opinion of the majority of the signatories, as above, is best suited for the purpose, one to be appointed by the party or parties claiming or objecting as the case may be, and the other by the party or parties against whom the claim or objection is made, or in the case of a question as to the validity of a settlement by those parties who are content with the settlement as presented; with power to such nominated arbitrators to appoint an umpire whose decision shall be final and conclusive between all the parties to this agreement, and for the purposes of any such reference this agreement shall be deemed to be a submission to arbitration within the meaning of the arbitration act, 1899, or any statutory modification or reenactment thereof for the time being in force, the provisions whereof shall apply as far as applicable.

17. This agreement is in force as regards the eastward pool from the first steamer leaving New York on or after April 1st, 1905, and as regards the westward pool from the first steamer leaving Yokohama on or after April 1st, 1905.

Notice to terminate this agreement may be given by any of
47 the signatory parties at any time not less than 12 months from the date of signature; such notice shall only take effect at the end of the current pool period, but if the notice be given within three months of the end of a current pool period it shall not take effect till the end of the pool period next succeeding; provided always that it does not continue after the termination of the eastward or westward agreements, as the case may be.

This agreement was made and completed in London, on 13th April, 1905, as per signatures attached on the following page.

DODWELL & Co. (LTD.),
THOS. M. DERMER.

p. p. T. B. Royden, and by written authority of the Hamburg American Line, and the "Union" S. S. Co., of Hamburg:
P. L. ROOPER.

By authority of Barber & Co. (Incd.),
WALTER CHAMBERS.

For The Lancashire Shipping Coy.,
JAMES CHAMBERS & Co.

By authority of Rankin, Gilmour & Co.,
WALTER CHAMBERS.

WILLIAM ADAMSON & Co.,
On Behalf of Messrs. Shewan, Tomes & Co.

For the American & Oriental Line, Howard Houlder & Partners (Ltd.):

ALEX. FREELAND, *Director*,
General Managers.

p. pro. Anglo-American Oil Co. (Ltd.):
JAS. MCDONALD, *Director.*

Witness to the signatures of Thos. M. Dermer, P. L. Rooper, Wm. Adamson & Co., Alex. Freeland and Jas. McDonald:
ARCHD. MACLEAN,
Manager Shipping Department, Anglo-American Oil Co. (Ld.), 22 Billiter Street, London, E. C.

Witness to the signatures of Walter Chambers and Messrs. Jas. Chambers & Co.:
THOS. M. DERMER.

48 EXHIBIT 4.

The Atlantic Ports and Eastern Asiatic Ports Conference.

Pooling Rules.

Rules for the pooling of steamers' freights adopted as between the owners (including chartered owners) of the steamers now being run or to be run in the trade between the Atlantic ports of the United States and the Far East as set forth in the agreements dated 13th day of April, 1905.

In order to consolidate the position of the associated lines and to provide a method of meeting outside opposition that may be effective, and at the same time fair and equitable to all concerned, it is hereby agreed that the nett freights earned by all the steamers loaded from the Atlantic ports of the United States to the Far East, and vice versa in accordance with the terms of the eastward and westward agreements, dated 13th April, 1905, shall be pooled and treated as hereinafter provided.

1. The steamers run in the trade eastward and westward respectively shall be managed and disbursed by their respective owners as at present, who shall make up as soon as possible after the termination of each steamer's voyage eastward and/or westward a statement showing all the necessary pooling particulars in the forms prescribed and attached hereto (see Schedule "K"). These statements, together with all supporting vouchers, copies of manifests, certificates of cargo space and deadweight capacity and time statements showing dates and time of all arrivals and departures in prescribed form, are to be forwarded as soon as possible to T. B. Royden, Liverpool, who shall prepare at the end of each year two general pooling accounts, one for all the eastward voyages and one
49 for all the westward voyages during the year, in which the owners of each of the said steamers shall be debited with all

nett freights received by them in respect of such voyages, and the respective pooling accounts credited with the same, and a proper distribution of the balance of such pool shall be made in the manner hereinafter provided in clause 6.

2. Freight account.—The nett freights shall be ascertained in the following manner: The whole gross freights (being all freights received in respect of cargoes carried by the steamers, whether under deck or on deck, in holds or in peaks, whether chartered freights or on ship's account) shall be first set down. From the above shall then be deducted all rebates or returns to shippers paid and deferred rebates payable upon the foregoing freights, after which shall be deducted all the costs, charges, and expenses actually incurred and paid as enumerated in the schedules hereunto attached, marked C and D, respectively.

Passage money (if any) shall not be brought into the pool, but each owner shall defray all expenses and undertake all risks connected with the conveyance of passengers either eastwards or westwards, and shall retain any passage money received on this account in respect of his steamers for his sole benefit, but in case the space or dead-weight capacity required for pool purposes be reduced thereby, a suitable allowance shall be made to the pool.

Freight on deck cargo, including live stock, is to be treated as ordinary freight, but in the case of live stock the risk is to be for ship's account. Expenses of carrying live stock are to be treated as loading and discharging expenses. Attendants' passages are to be allowed for to ship at the rate of 2/6d. per diem, unless they provide their own food, in which case no charge is to be made.

Initial hire reckoned at the rate of 60d. per day of 24 hours per ton of 40 cubic feet of bale space provided for cargo while the steamer is on hire to the pool, either eastward or westward. The total
50 times while in port are to be added together; fractions of a day of 12 hours or over are to count as a whole day, under 12 hours are not to count. While at sea initial hire is to be counted as one day for each 240 nautical miles steamed, as per schedule of distances attached hereto marked "G," the total distance steamed being divided by 240 miles, and any fraction of 240 miles remaining over to be counted as one day if one-half or over, and not to count if less than one-half.

It is understood that under no circumstances can a steamer be earning initial hire at one and the same time from both eastward and westward pools, nor does a steamer earn initial hire when not available in port for cargo working through dry-docking or repairs or other causes, nor when in port for ship's purposes only, viz:

In the event of loss of time from deficiency of men or stores, quarantine through sickness or infection on board, breakdown of machinery, stranding, or damage preventing the working of the vessel for more than 24 consecutive hours, the payment of initial hire shall cease until the steamer be in an efficient state to resume her service;

but should the vessel be driven into port or to an anchorage by stress of weather or by any accident to the cargo, or should she be detained by quarantine regulations not due to sickness or infection on board nor to the carrying of passengers, such detention or loss of time shall not be deducted from the period for which initial hire shall become due, but any contribution recoverable by the steamer from general average on account of the above is to be credited to the pool. No hire is payable during such time as a steamer is in a port of call for bunker purposes only, or is not entirely available for cargo purposes, as, for example, when dry docking or undergoing structural repairs. Due notice of the time and date of such docking and/or/repairing must be given in by the agents of the steamer concerned to the secretary or official representative of the local conference agents at the time of the occurrence.

51 No two steamers are to be on hire together at the same port of commencement of westward loading.

No party shall participate in the pooling of any portion of the out or home voyage in respect of any steamer whose freight, eastward or westward as the case may be, is not brought into account and pooled.

The special provisions referring to the eastward pool are contained in the schedule hereunto attached marked A.

The special provisions referring to the westward pool are contained in the schedule hereunto attached marked B.

4. Coaling allowance for both eastward and westward is to be reckoned according to the total schedule distances steamed, such distances to be those for which the steamer is credited with initial hire, at the rate of 16d. per unit ton of 40 cubic feet of bale space provided for cargo for each 50 nautical miles steamed, as per schedule attached hereto, the total distance steamed being divided by 50, and any fraction remaining over to be counted as 50 miles if one-half or over, and not to count if less than one-half. Under no circumstances can a steamer earn coaling allowance for the same distance steamed at the same time from both eastward and westward pools.

In the event of a steamer beginning her westward loading at the penultimate port of eastward discharge, the coaling allowance shall be divided between the eastward and westward pools in the proportion to the number of manifest tons on board during the time the steamer is proceeding between such ports; the same principle will of course apply when the order is reversed.

5. Should any steamer be entitled by arrangement made by conference as a whole to receive any special payment or allowance on any voyage out of the pool, the amount thereof shall be credited to the owners of that steamer in the pooling account, to which the business refers.

6. The pooling accounts shall be made up every 12 months,

52 and shall cover all the steamers commencing to load out or home from January 1st to December 31st in any one year, but

in the event of any one or more of the said steamers being lost, missing, or in any way incapacitated by serious accident from completing her voyage in ordinary course, the pooling agreement shall be terminated as regards such steamer as from the date upon which she finished her preceding outward or homeward voyage as hereinbefore provided, unless upon the happening of any such event it be otherwise arranged between the parties hereto.

The balances of the said pooling accounts, after crediting them and debiting them with the amounts as aforesaid, shall be ascertained and the rate per cent which such balances bear to the total of the initial hire credited to the owners of all the steamers included in the respective pools shall be calculated. The owners of each steamer are to be then credited with an amount the equivalent of the rate per cent so ascertained upon the amount of the initial hire of each of such owners' steamers included in each pool—as, for instance, should the balance remaining equal 10% on the total initial hire paid for all the steamers in either pool, the owners of each steamer will be credited with an additional 10% upon the initial hire money of their steamer. Those owners who are then found to be indebted to the pool shall forthwith pay the amount of such indebtedness to the pool managers, and the managers, upon receipt of the whole of the same, shall pay to the owners who have balances in their favour the amounts of such balances.

In the event of a steamer owned by other than a recognised conference owner being loaded, the signatory loading such steamer shall be responsible to the pool for any debit balances that may subsequently be due by such a steamer to the pool. The details of the pooling arrangement and of the eastward and westward agreements shall not be communicated to any such owner, but the signatory loading the steamer shall be responsible for the due performance by the steamer and her owner of all the obligations and regula-
53 tions of the said agreements. No new firm shall be permanently introduced into the conference, in substitution for any present member or otherwise, without the consent of the majority of the remaining members.

7. The owners of each steamer shall pay the whole of the working expenses of their steamer of every kind whatsoever, which are not specially provided for in these rules, and shall undertake all risks and responsibilities connected with such steamer which are not specially provided for in these rules.

8. Cargo space.—The steamers which have been running regularly in the trade, particulars of which are given in the schedule attached, marked "H," are accepted on the basis of dead-weight capacity and measurement capacity specified against their names. Owners tendering other steamers for the pool's acceptance and for entry in the schedule shall as soon as possible submit to the London conference committee such evidence as to measurement capacity and dead-weight

carrying as the committee may require. Such evidence will generally be:

(a) Sketch plan showing measurements of all cargo spaces, including such peaks and lazarettes as are suitable for cargo carrying, made out by the conference surveyor.

(b) Official measurer's certificate of measurements, made in accordance with the directions laid down in the instructions already issued, subject to any agreed modifications thereof. This will be required in the first instance only.

(c) Displacement scale of steamer, with evidence from actual records of the correctness thereof whenever possible. If no actual records, builder's certificate confirming the correctness of the displacement scale shall be provided.

(d) Plan of bunkers.

The committee will consider the ratio of cubic capacity for cargo to dead-weight capacity for cargo upon summer marks in each steamer put before them, and in case of the ratio being more than 58.5 cub. ft. to 1 ton dead-weight for cargo, the conference may
54 modify the number of tons for which the steamer will be scheduled. If a steamer is penalised under this clause, but the space is nevertheless filled, she shall be allowed for the extra space filled on that particular voyage. Any owner who can show that, by reason of the large dead-weight capacity as compared with the pool tonnage of his steamer, he has on any voyage been specially profitable to the pool, shall be entitled to ask for special consideration.

No steamer shall be penalised under this clause to a greater extent than such space as is not actually used for cargo on any particular voyage, nor shall she be penalised in respect of unoccupied space where such space, though not actually filled with cargo, has been necessary for the proper loading and unloading of large or bulky packages. The conference may also modify the number of tons for which any steamer will be scheduled where by reason of small and inconvenient hatches, or inconvenient arrangement of stanchions or other disabilities, stowage of such cargo as is provided for her shall be prejudiced.

Similarly the conference will consider the ratio of canal tonnage to cargo capacity, and if less than 91 c. f. (exclusive of peaks) is provided for every canal ton, a deduction may be made.

Steamers entered in the schedule are bound to give for pool-loading purposes, if required, the cubic and dead-weight capacities noted against their names. If, owing to shortage of cargo, the whole schedule capacity of any steamer is not required, the owner must make use of the steamer's surplus capacity for bunker coal so long as there is no consequent loss of freight to the conference. Any economy thereby effected is to be credited to the pool.

If for any reason, such as structural alterations or modification of coal-bunker arrangements, there is any change in a steamer's scheduled record in either respect the owners must give notice of

such alteration to the pool managers, who will take steps to correct the scheduled record.

55 On the sailing of each steamer eastward from New York the pool measurer shall issue a certificate containing the following particulars:

Weight of bunker coal on board.
" " stores and gear.
" " water in boilers (unless included in ship's weight and displacement scale).
" " ballast or water ballast (if any).
" " cargo on board.
Mean draught upon sailing.
Draught allowed by surveyors.
Number of tons light of full deadweight capacity.
" " cubic tons of vacant space.

On the westward berth no certificates will be required from the New York measurers, as the instructions to measurers at Singapore, Cochin, &c., contained in the circular dated 28th April, 1906, duly carried out meet all pool requirements.

Unless otherwise mutually agreed, the limit of size of steamers employed, either eastward or westward, shall be 10,300 tons of 40 cubic feet bale space, but steamers which have been regularly running in the trade for one voyage or more or are now loading are to be admitted to the pool even though in excess of the limit above. In the few instances where steamers already admitted exceed the foregoing limit of size, it is agreed that the owner of any such steamer may substitute another of his steamers of similar size.

In case of any unforeseen hardship to the owner or to the pool arising under these provisions, the circumstances may be stated for the consideration of the conference, who may make such allowance as will ameliorate the hardship as far as possible in the particular case so stated.

These regulations are to come into force as from the beginning of pool No. 3 without prejudice to any expenses already incurred to the date of the owners receiving notice of these amendments.

9. Owners are to guarantee that their steamer shall proceed at full usual speed whenever practicable, but not necessarily at exceeding 10 knots average.

56 The order in which steamers shall proceed to the various ports shall not necessarily be according to the geographical position when the requirements of the cargo justify it being otherwise.

10. Steamers are to provide gear to lift weights up to twenty tons and sufficient steam to run all winches simultaneously.

11. Chartered steamers.—In the event of steamers being chartered by either conference, the signatory whose turn it is to load shall effect the charter and conduct all the financial operations in connection with the business.

The conference shall have the benefit of any salvage on rebates which shall be dealt with in such manner as the London committee shall from time to time determine.

The charterers shall send an account accompanied by the necessary vouchers to the pool manager for incorporation in the then current year's pool.

The profit or loss of such ventures shall be dealt with by the charterers in the following manner:

In the event of a profit, the amount shall be distributed among the signatories of the particular conference pro rata, according to their respective shares in the trade, and

In the event of a loss, the respective signatories shall contribute to it pro rata according to their respective shares in the trade.

The above mentioned profits or losses shall then be credited or debited in the then current year's pool accounts and the several amounts paid to or received from the signatories shall be debited or credited to the signatories (as the case may be) in making the final adjustment of the pools.

12. The conference agents are authorized to engage lawful coast freight, live stock, explosives, and deck cargo of a harmless nature for account of the conference, which the respective owners are bound to carry on their steamers provided the seaworthiness or safety of the vessels be not jeopardised thereby, and such freight shall
57 be considered part of the gross freight either eastward or westward as the case may be.

13. Should it be found that through unforeseen circumstances the provisions of the pooling agreement press hardly on any individual steamer, it is agreed that the signatories to the agreement shall take the matter up and deal with it in the spirit of the agreement and these rules, which is that there should be a general community of interest and that all should share equally in the advantages or, if need be, the losses that may arise therefrom.

14. Should any disputes arise under these rules or should any alteration be desired therein they are to be left to the decision of the signatories to the pooling agreement, whose voting power shall be pro rata to their share in the business.

Should any decision so arrived at be objected to by any such signatory the matter shall be referred to the decision of two arbitrators, who shall be commercial men in London, New York, or Hongkong, whichever place, in the opinion of the majority of the signatories, as above, is best suited for the purpose, one to be appointed by the party or parties claiming or objecting, as the case may be, and the other by the party or parties against whom the claim or objection is made, or in the case of a question as to the validity of a settlement by those parties who are content with the settlement as presented, with power to such nominated arbitrators to appoint an umpire, whose decision shall be final and conclusive between all the parties to this agreement; and for the purposes of any such reference this agreement shall be deemed to be a submission to arbitration within

the meaning of the arbitration act, 1899, or any statutory modification or reenactment thereof for the time being in force, the provisions whereof shall apply as far as applicable.

15. These rules (being a revision of the agreement dated 13th April, 1905, which came into force as regards the eastward pool
58 from the first steamer leaving New York on or after April 1st, 1905, and as regards the westward pool from the first steamer leaving Yokohama on or after April 1st, 1905) shall be treated as being in force as from the commencement of pools 3.

16. Notice to terminate or cancel these rules may be given by any of the signatories to the pooling agreement at any time: such notice shall only take effect at the end of the current pool period, but if the notice be given within three months of the end of a current pool period it shall not take effect till the end of the pool period next succeeding; in any case these rules shall not remain in force after the termination of the pooling agreement or the eastward or westward agreements as the case may be.

Schedule A.

Initial hire—Eastward pool.

1. Time for hire shall commence upon the date and at the time fixed by the New York committee and shall continue until the time hereafter mentioned, subject to any of the following modifications and to the number of days allowed for loading in accordance with the following scale:

Steamers	9,501	tons of 40 c. f.	pool m'mt	and over	16 running days.
"	8,501	"	"	to 9,500 tons	15 "
"	7,501	"	"	to 8,500 tons	14 "
"	7,500	"	"	and under	13 "

Running days to exclude Sundays, Independence Day, and Christmas Day, and any other legal holiday.

2. Time in ports at which steamers call for the exclusive purpose of coaling supplies or repairs and/or in distress or under general average or on account of passengers or time occupied in dry docking and repairs or as enumerated in clause 3 of this agreement shall not be reckoned in.

3. In cases where steamers load bunker coal and load and/or discharge cargo at a coaling port the time occupied at such port shall be apportioned pro rata between the owner and the pool in
59 accordance with the number of tons of bunkers loaded and the number of manifest tons of cargo loaded and/or discharged.

"Coaling port" means a port which is generally called at for bunkers only.

4. In the event of a steamer beginning her westward loading at the penultimate port of eastward discharge the time during which such steamer is in such port and in her final port of discharge (i. e., her second port of loading) shall be allocated to the eastward and west-

ward voyages in the proportion to the number of manifest tons loaded and discharged at such ports. This applies also to the hire for the distance between such ports, which is to be allocated in proportion to the number of manifest tons on board on account of each pool during the passage.

5. In the event of a steamer completing her discharge at some port other than in Japan between Nagasaki and Yokohama by either route, and not entering upon a westward pool voyage forthwith, extra initial hire and steaming allowance shall be allowed to such steamer from the completion of her discharge on the basis of the schedule distance from such port to Moji, Kutchinotsu, or Yokohama, whichever distance is least. In the event of a steamer completing her discharge at a port other than the first port of loading on the westward berth, the hire and steaming allowance shall be paid up to the date of arrival at such loading port.

6. In the case of conference owned steamers loaded on one berth by the owners and being then chartered for the other berth by other members of the conference (or vice versa) the hire ceases in the same way as already provided in the case of steamers not loading on the other berth, and the hire does not commence on the other berth until the time as already provided in the case of outside steamers chartered for the berth.

7. The hire continues until the completion of the discharge at the last port of discharge (subject to the exceptions herein already stated).

60 Schedule B.

Initial hire—westward pool.

1. The time at which the steamer comes on hire commences upon the date and at the time fixed by the Hongkong committee, subject to any of the following modifications.

2. Time in ports at which steamers call for the exclusive purpose of coaling, supplies, or repairs, and/or in distress or under general average, or on account of passengers, is not to be reckoned in.

3. In cases in which steamers load bunker coal and load and/or discharge cargo at Moji or other coaling port, the time occupied in so doing is to be apportioned pro rata between the owner and the pool according to the tonnage of the bunkers loaded and the cargo loaded and/or discharged.

"Coaling port" means any port which is generally called at for bunker purposes only.

4. In the event of a steamer beginning her westward loading at the penultimate port of eastward discharge the time during which the steamer is in such port and the second port of loading (i. e., her last port of eastward discharge) shall be allocated to the eastward and westward voyages in the proportion to the number of manifest tons loaded and discharged at such ports. This also applies to the hire

for the distance between such ports, but it is to be allocated pro rata according to the number of manifest tons on board on account of each pool during the passage.

5. In the case of a steamer not loaded out on the eastward pool berth, her initial hire westward shall start from such port in Japan as may be assigned by the Hongkong conference committee, but in the event of her being ordered to begin loading at some port not in Japan, should such assigned port be at a greater distance from her last port of eastward discharge than the nearest of the Japanese ports of Moji, Kutchinotsu, or Yokohama, an allowance for such extra distance is to be made on the 240 mile a day basis.

61 6. In the case of conference-owned steamers loaded on one berth by the owners and chartered for the other berth by other members of the conference (or vice versa), the hire ceases in the same way as already provided in the case of steamers not loading on the other berth, and the hire does not commence on the other berth until the time as already provided in the case of outside steamers chartered for the berth.

7. The hire continues until the completion of the discharge at her last port of discharge, in the U. S. A.

Schedule C.

Disbursements payable by the eastward pool.

Port charges.

1. First port of loading. Outward only.
2. Tonnage dues.
3. Light dues.
4. Compulsory pilotages.
5. Wharfages.
6. Custom's overtime and permits.
7. Towages and removals in harbour.
8. Boatmen and running lines (for cargo purposes only).
9. Bills of health and consular fees (except for crew), consular fees for German steamers 6/3 inwards and 6/3 outwards.
10. Quarantine and fumigating charges (except where on account of sickness among crew or passengers).
11. Suez Canal expenses.
12. Custom's gratuities (when specially authorised by the local committee).

Loading and/or discharging.

1. Stevedore's bills.
2. Tallying cargo.
3. Cables and telegrams, as defined in the conference circular letter, dated March, 1907, a copy of which is hereto annexed and marked "F."

62 4. Surveys on holds and hatches.

5. Cost of magazines.

6. Advertising $50 to cover U. S. ports.
7. Advertising consignees only at eastern discharging ports.
8. Storage and insurance on cargo.
9. Lighterage.
10. Railage and cartages.
11. Heavy lifts (extra expense for use of gear when over twenty tons).
12. Gratuities to wharfingers.

Commissions and brokerages.

1. Loading commission of 5% upon the gross manifest freight (deducting only therefrom any special returns or rebates other than deferred rebates). The commission is to be charged in each port's disbursement account at which it is earned.
2. Agency fee of £10 10s. 0d. at each discharging port except in case of full cargo of case oil to one port, when the agency fee shall be not exceeding £21, and except in other cases herein specially provided for.
3. Brokerages.
4. Phillippines as per Schedule "E."

Interest.

When freight is payable abroad interest at the rate of 4% per annum upon the cash amount of such freight from the date of sailing to the date that the amount is credited in the agent's account as cash not exceeding two months after the date of arrival at the port of destination, but upon case-oil freight, to the due date of the bill receivable or the date upon which the amount is credited in the agent's account as cash, whichever is least.

Deferred rebates.

To be deducted in one total from the total of the freight account.

63 Special returns or rebates to shippers.

To be deducted from the total freight upon which such allowances are made in the freight account.

General.

1. All transshipment charges.
2. War premiums where specially authorized by conference.
3. 40% of canal dues saved when a steamer is ordered by the conference to go via cape.
4. Where steamers finish their discharge at another port than the first port of loading westward, the outward charges at such last port

of discharge and the inward charges at such first port of loading on the westward berth.

In cases where steamers load bunker coal and load and/or discharge cargo at Moji or other coaling port the port charges shall be paid by the owners and the pool pro rata according to the tonnage of the bunker loaded and cargo loaded and/or discharged.

"Coaling port" means any port which is usually called at for bunker purposes only.

5. Proportion of port expenses at any port at which the steamer loads and/or discharges on account of both pools during the one visit.

6. The inward charges and cost of discharge, etc., only at last port of discharge (except where otherwise herein specially provided).

Schedule D.

Disbursements payable by the westward pool.

Port charges.

1. The outward charges at the first port of loading are alone payable (except in cases herein specially provided).
2. Tonnage dues.
3. Light dues.
4. Compulsory pilotages.
5. Wharfages.
64 6. Custom's overtime and permits.
7. Towages and removals in harbour.
8. Boatmen and running lines (for cargo purposes only).
9. Bills of health and consular fees (except for crew). Consular fees for German steamers, 6s. 3d. inward and 6s. 3d. outwards.
10. Quarantine and fumigating charges (except where on account of sickness among crew or passengers).
11. Suez Canal expenses.
12. Custom's gratuities (when specially authorised by the local committee).

Loading and/or discharging.

1. Stevedores' bills.
2. Tallying cargo.
3. Surveys on holds and hatches.
4. Cost of magazines.
5. Advertising—twenty Mexican dollars or yen at each eastern loading port, or port where considerable quantities of cargo are generally booked and the cost of advertising consignees only at westward discharging ports.
6. Storage and insurance on cargo.

7. Lighterage and demurrage on lighters.
8. Railage and cartages.
9. Gratuities to wharfingers.
10. Heavy lifts (extra expense for use of gear when over twenty tons).
11. Cost of cleaning up holds.
12. Cables and telegrams, as defined in the conference circular letter dated March, 1907, a copy of which is hereto annexed and marked "F."

Commission and brokerages.

1. Loading commission of 5% (except as provided in Schedule E for Philippine hemp cargo) upon the gross manifest freight earned at each several port (deducting for the purpose of calculation
65 from the gross manifest freight any special returns or rebates to eastern shippers other than deferred rebates). The commission is to be charged in each port's disbursement account, and not in one sum at the end. An extra 2½% as brokerage to be allowed when paid at Mediterranean ports. Agency fee at Boston, Philadelphia, &c., $50.
2. Brokerages.
3. Special commissions (as at present agreed upon).
4. Philippines as per schedule E for hemp cargo, and 5% on general cargo.
5. ½% commission on the westward freight (less returns to shippers, &c.) for collection at home ports.

Deferred rebates.

To be deducted in one total from the total of the freight account, but full particulars are to be given.

Special returns or rebates to shippers.

To be deducted in the freight account from the total manifest freight of the port at which such allowances are made.

General.

1. All transhipment charges.
2. War premiums, where specially authorized by conference.
3. Proportion of port expenses at any port at which the steamer loads and/or discharges on account of both pools during the one visit.

In cases where steamers load bunker coal and load and/or discharge cargo at Moji or other coaling port, the port charges shall

be paid by the owners and the pool, pro rata, according to the tonnage of the bunkers loaded, and cargo loaded and/or discharged.

"Coaling port" means any port which is usually called at for bunker purposes only.

Notes.

(Applicable to both eastward and westward pools.)

1. Credit must be given in the above for all discounts, rebates, and allowances made upon any of the above-named charges.

66 2. All supplementary charges or credits which come to hand after any or all of the disbursement or other accounts have been passed should be kept together and sent in all together in one account.

3. American owners' accounts are to be rendered into dollars first and then converted into sterling at $4.87 exchange.

German owners' accounts from New York are to be treated as above, but the eastern port accounts are to be rendered in marks and then converted into sterling at marks 20–43 exchange.

Some disbursements which are not payable by the pool.

1. The outward charges at last port of discharge (except in cases otherwise herein provided for) are not payable by the eastward pool.
2. Inward charges at first port of loading are not payable by the westward pool.
3. Expenses incurred prior to the commencement of hire.
4. Dunnage.
5. Special allowance for dunnage for case oil.
6. Claims on cargo.
7. Cooperage, etc.
8. Watchmen (ship and cargo).
9. Cost of loading and discharging gear (only the use of same may be charged for) for lifts over twenty tons.
10. Water for ship's use.
11. Commissions for advance of freight.
12. Washing.
13. Noting protest.
14. Gratuities to officers and crew or overtime to officers and crew.
15. Captain's port expenses.
16. Adjuster's fee.
17. Stationary, manifests, bills of lading, etc.
18. Postage and petties.
19. All expenses for ports at which the steamer calls for the exclusive purpose of coaling, supplies or repairs and/or in distress or under general average, or on account of passengers or crew.

67 Schedule E.

Philippines—Revised agency commission.

The following is extracted from the letter from Messrs. Smith, Wood & Co., attached to Messrs. Dodwell's circular of 22nd March, 1907:

1. That all agents are to be on the same basis.

2. That the fees received are to be nett and carry no return to anyone.

3. That the other shippers agree not to require brokerage to be paid on freight engagements.

4. That in case it should become possible to load steamers at Iloilo, that that port shall not be covered by the present arrangement, but that a commission of 2½% on the freight should be paid on all cargo shipped from there.

5. That where the steamers at Manila and Cebu are in different hands they should not be considered as being covered by the one fee, but that the agent at each port should receive the fees as per scale on the quantity of hemp shipped at that port.

6. That no change of agencies to our prejudice should be made, unless for good cause given by our houses in the Philippines.

Provided these conditions are agreed to, we shall be obliged if you will see that we are informed in time for us to cable to Manila on the same day as the other shippers purpose cabling their representatives.

The terms arranged are as follows, and are to cover entering and clearing the ship and all the work in connection with the loading and engaging of the cargo, and to cover also for loading at Manila or Cebu, whether one or two ports (except as stipulated above), and discharging at Boston or New York, whether one or two ports.

For outward cargo from the Philippines:

Up to	5,000	bales	hemp,	inclusive				£50
Above	5,000	bales	and up to	10,000	bales,	inclusive		£75
"	10,000	"	"	15,000	"			£100
"	15,000	"	"	20,000	"			£125
Over	20,000	"						£150

68 The scale on inward cargo to be 6d. per manifest ton up to 2,000 tons, with a minimum of £20; 3d. per manifest ton for every ton over 2,000 tons.

The contents of this letter were communicated to Messrs. Ker, Bolton and Co., and agreed by them with the exception of the 4th clause, which would only apply in the event of the shipment of sugar. As that is not at present an article of export to the States, it was agreed that charges should be arranged later on, in the event of a mixed cargo of sugar and hemp being shipped from two or more ports, on the basis of the hemp scale.

Scale comes into force eastward with "Alesia," arrived Manila, 10th May, 1907, and westward with "Erroll," sailed Manila, 23rd May, 1907.

Schedule F.

Conference circular letter—Cable and telegraph expenses.

Westward business.

All expenses incurred for telegrams and cables which come within the appended definition shall be supported by vouchers giving a translation into English of each telegram or cable and the cost thereof. Within three days of a steamer leaving any port the agents of the vessel shall submit the account vouched as mentioned to be signed by the local conference secretary and certified by him as chargeable to the pool. The account shall then be debited in the steamer's disbursements account in the usual way, and the certified account and vouchers shall be included among the vouchers for the steamer's disbursements at the particular port from which the messages are sent.

It is very desirable that all other telegrams and cables charged in the steamer's account shall be in like manner supported by similar explanatory vouchers on which the cost is marked.

It has been agreed that the whole of the expenses incurred on account of steamers sailing from their first port of loading
69 previously to 1st January, 1907, shall be paid for by the owners and/or charterers of the respective steamers.

This regulation is to supersede the arrangement previously made and dated October, 1906, for the adjustment of the expenses at Hongkong every three months, and will apply to all steamers which commence their voyages after the S. S. "Wray Castle," which steamer sailed from Yokohama on 9th January, 1907.

Your careful attention to these details is earnestly requested.

Messages which are of a general nature and belong to no steamer in particular, official telegrams between local committees and Hongkong and the acting secretaries in London will be continued to be dealt with as they have hitherto been dealt with by the local conference secretaries.

By order of the conference:

T. B. ROYDEN, *Pool Manager.*

LIVERPOOL, *March, 1907.*

Definition of cables, &c., the cost of which is to be charged in the steamer's disbursement accounts and which will be pooled.

The cost of cables, telegrams, and postages coming under any of the following heads are chargeable to the conference, the intention being that the cost of all information necessary or generally recognised as convenient in the interests of either the eastward or westward conference shall be charged.

1. Those sent officially by the recognised medium of communication or by any firm at the general request of the others interested and dealing with questions of general policy or management.

	Miles.
Colombo:	
Pasoeran	2,421
Penang	1,275
Pondicherry	546
Singapore	1,560*
Tegal	2,072*
Vizagapatam	858
Durban:	
Hongkong	6,332
Manila	6,228
Shanghai	7,044
Singapore (via Sunda)	5,000
Do. (via Malacca)	4,893
Singapore:	
Alleppey	1,865*
Batavia	509
Cebu	1,332
Chifu	2,548
Chemulpo	2,647
Cochin	1,893
73 Hongkong	1,446
Iloilo	1,319
Kobe	2,672
Labuan	735
Manila	1,357
Nagasaki	2,420
Negapatam	1,570*
Pekalongan	675
Penang	383
Samarang	684
Shanghai	2,236
Sourabaya	764
Taku	2,892
Tijilatjap	890
Tellicherry	2,008*
Vizagapatam	1,588
Vladivostock	3,100
Yokohama	2,910
Keelung	1,824
Dalny (E)	2,680
Iloilo:	
Amoy	954
Cebu	230
Negapatam	2,884*
Moji (E)	1,700
Hongkong (E)	882
Manila:	
Alleppey	3,222*
Amoy	682
Batavia	1,583
Cebu	386
Chifu	1,481
Foochow	775
Iloilo	367
Kobe	1,505
Labuan	690
Moji	1,445
Nagasaki	1,306
Shanghai	1,124
Swatow	618
Yokohama	1,725
Takau (E)	564
Hongkong:	
Amoy	296
Batavia	1,813
Chemulpo	1,267
Chifu	1,197

		Miles.
Hongkong—Continued.		
	Foochow	472
74	Kobe	1,373
	Manila	637
	Nagasaki	1,066
	Shanghai	850
	Swatow	181
	Taku	1,484
	Yokohama	1,580
	Vladivostock	1,665
	Keelung	476
	Cebu	984
	Takau	337
Amoy:		
	Keelung	223
	Cebu (E)	1,127
Foochow:		
	Amoy	202
	Keelung	122
Shanghai:		
	Amoy	580
	Batavia	2,472
	Chemulpo	502
	Chifu	522
	Foochow	458
	Fusan	519
	Keelung	436
	Kiauschau (Tsingtau)	390
	Kobe	775
	Kutchinotzu	481
	Moji	537
	Nagasaki	463
	Port Arthur	541
	Swatow	695
	Taku	732
	Vladivostock	1,014
	Yokohama	1,050
	Karatsu (E)	434
	Newchwang (E)	651
	Otaru (E)	1,300
	Takau (E)	628
	Dalny (E)	510
Kiauschau:		
	Chifu	245
Taku:		
	Chemulpo	462
	Kobe	1,036
	Moji	798
	Nagasaki	776
	Vladivostock	1,288
	Yokohama	1,360
75	Chemulpo:	
	Fusan	407
	Kobe	724
	Moji	486
	Nagasaki	480
	Vladivostock	1,000
	Yokohama	1,048
	Kutchinotzu (E)	506
	Dalny	286
Fusan:		
	Otaru (E)	760
Moji:		
	Batavia	2,984
	Chifu	579
	Fusan	160

	Miles.
Moji—Continued.	
Kiauschau	565
Kobe	238
Kure	120
Nagasaki	150
Sourabaya	3,000
Vladivostock	578
Yokohama	562
Newchwang (E)	756
Takau (E)	953
Dalny (E)	628
Kobe:	
Chifu	846
Kure	140
Nagasaki	388
Tsingtau	805
Vladivostock	816
Yokohama	345
Kutchinotzu (E)	440
Karatsu (E)	316
Otaru (E)	1,054
Fusan (E)	398
Keelung (E)	963
Dalny	865
Yokohama:	
Batavia	3,164
Chifu	1,170
Kutchinotzu	723
Nagasaki	712
Port Arthur	1,265
Vladivostock	1,140
Kutchinotzu:	
Cebu (E)	1,442
Nagasaki:	
Chifu	552
Vladivostock	710
Dalny (E)	623
76 Cochin:	
Alleppey	32
Tellicherry	120
Penang (E)	1,510
Calicut (E)	85
Cuddalore:	
Negapatam	58
Pondicherry	14
Calicut:	
Tellicherry (E)	35
Batavia:	
Labuan	919
Pasoeran	413
Probolingo (E)	437
Sourabaya:	
Bezoeki	71
Pasoeran	30
Probolingo	48
Tegal	413
Tjilatjap	532
Bezoeki:	
Pekalongan	351
Probolingo:	
Tegal (E)	405
Tegal:	
Padang (E)	708
Pasoeran:	
Probolingo	21
Samarang	354

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Schedule H.

List of steamers sailing regularly.

[The number of units, etc., will be duly advised in each case as ascertained.]

Steamers.	Dead-weight for cargo.		Pool measurement.	Pool units.
	Summer.	Winter.		
Lennox				
Braemar				
Atholl				
Montrose				
Lothian				
Erroll				
Sagami				
Hindustan				
Saint Hugo				
Saint George				
Saint Egbert				
Saint Patrick				
Saint Fillans				
Saint Bede				
Saint Dunstan				
Satsuma				
Shimosa				
Suruga				
Sikh				
Ghazee				
Pathan				
Wray Castle				
Lowther Castle				
Muncaster Castle				
Indrani				
Indramayo				
Indrasamha				
78 Indrapura				
Indrawadi				
Indravelli				
Inveresk				
Inverclyde				
Aragonia				
Nubia				
Alesia				
Vandalia				
Verona				
Albenga				
Tudor Prince				
Norman Prince				
African Prince				
Afghan Prince				
Yeddo				
Quito				
Jeserie				
Coulsdon				
Croydon				
Foxley				
Headley				
Hudson				
Kennebec				
Seneca				
Schuylkill				

79 Schedule J.

The Atlantic ports of the U. S. A. & eastern Asiatic ports conference.

Instructions to pool measurers at Singapore, Cochin, or other last port of westward loading.

The measurer appointed by the local conference committee is to hand a certificate to the local agent of each steamer finishing loading on the westward berth, setting forth the following particulars:

(1) Approximate unoccupied space in each cargo compartment of each steamer completing her westward loading at that port, giving the reason why such space is not filled, whether owing to lack of cargo or unsuitability of space for cargo available or otherwise.

(2) If any peak, lazarette, bunker space, or other such space is used for cargo purposes, the fact must be noted on the certificate, and if it is so used while there is still space available in the proper cargo holds, the reason for such course must be given.

(3) The deadweight capacity of each steamer available for cargo, noting the total deadweight of steamer, the weight of bunker coal on board upon sailing, the approximate weight of stores, water in boilers, dunnage, etc., and the estimated weight of the cargo on board. Care must be taken, in giving these particulars, to note whether the total deadweight is on ordinary summer freeboard, winter freeboard, or Indian summer freeboard.

N. B.—A signed copy of every official document should be sent by the official measurer to T. B. Royden, 20 Brown's Buildings, Liverpool, as soon as possible, for every steamer sailing for the conference.

By order of the London conference committee.

T. B. ROYDEN, *Manager.*

LIVERPOOL, *28th April, 1906.*

80 Schedule K.

Eastward pool No.

The Atlantic ports of the U. S. A. and eastern Asiatic ports conference.

S. S. ———, ——— owners.

Particulars of receipts and payments by the owners on account of the pool.

[Certified bale space available for cargo, ... cu. ft. Certified dead-weight capacity, ... tons.]

Nett freight as per account attached					
Less deferred rebates					
Disbursements as per a/cs. attached, viz.					
Time { In port / Steaming } days					
Steaming allowance					
Initial hire: Tons for units at 16d. per ton per unit					
Initial hire: Tons for days at 60d. per ton per day					
Surplus to pool					

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Eastward pool No.

S. S. ————.

The Atlantic ports of the U. S. A. and eastern Asiatic ports conference pool.

PARTICULARS OF TIME.

Ports.	Time in port.					Steaming distances, knots.
	Begins.		Ends.		Equals.	
	Date.	Time.	Date.	Time.	Ds. Hs. Ms.	
New York						
Norfolk						
Port Said						
Suez						
Aden						
Singapore						
Manila						
Hongkong						
Shanghai						
Nagasaki						
Moji						
Kobe						
Yokohama						
				Totals...		

Ds. Hs. Ms.

Time in port.....
..... knots at 240 per day.....

82

Eastward.

Arrival and departure record of S. S. ——, voy. ——, pool No. ——.

Name of port.	Time and date of—						Time in port.		
	Arrival.			Departure.			Days.	Hrs.	Mins.
	Month.	Date.	Time.	Month.	Date.	Time.			
Norfolk									
New York, passing Sandy Hook									
Algiers or Gibraltar									
Port Said									
Aden									
Singapore:									
Arrival—slowing down to receive pilot									
Departure—as note									
Manila									
Hongkong									
Shanghai, passing fairway bell buoy &c., &c.									

NOTE.—Times of arrival to count from time of dropping anchor to receive visit of medical inspector for quarantine purposes, and times of departure to count from the time of the order being given for the engines "full speed ahead," except where otherwise specified.

Please enter hours as from 0 to 24 consecutively, and not a. m. and p. m., thus 10.50 p. m. will be entered 22.50.]

83 Westward pool No.

The eastern Asiatic ports and the Atlantic ports of U. S. A. conference.

S. S. ——, —— owners.

Particulars of receipts and payments by the owners on account of the pool.

[Certified bale space available for cargo, ---- cw. ft. Certified dead-weight capacity, ---- tons.]

Nett freight as per account attached.....
Less deferred rebates.....
Disbursements as per a/cs. attached, viz.....

Time { In port.... } days.....
{ Steaming.. }
Steaming allowance.....
Tons for .. units at 16d. per ton per unit.....
Initial hire.....
Tons for .. days at 60d. per ton per day.....

Surplus to pool.....

84 Westward pool No.

S. S. ——.

The eastern Asiatic ports and Atlantic ports of the U. S. A. conference pool.

PARTICULARS OF TIME.

Ports.	Time in port.					Steaming distances, knots.
	Begins.		Ends.		Equals.	
	Date.	Time.	Date.	Time.	Ds. Hs. Ms.	
Yokohama						
Kobe						
Moji						
Nagasaki						
Shanghai						
Hongkong						
Manila						
Singapore						
Aden						
Suez						
Port Said						
Norfolk						
New York						
				Totals...		

	Ds.	Hs.	Ms.
Time in port			
—— knots at 240 per day			

85 Westward.

Arrival and departure record of S. S. ——, voy. ——, pool No. ——.

Name of port.	Time and date of—						Time in port.		
	Arrival.			Departure.			Days.	Hrs.	Mins.
	Month.	Date.	Time.	Month.	Date.	Time.			
Yokohama									
Kobe									
Moji									
Nagasaki									
Shanghai, passing fairway bell buoy									
Foochow									
Amoy									
Hongkong									
&c., &c.									

NOTE.—Times of arrival to count from time of dropping anchor to receive visit of medical inspector for quarantine purposes, and times of departure to count from the time of the order being given for the engines "full speed ahead," except where otherwise specified.

Please enter hours as from 0 to 24 consecutively, and not a. m. and p. m., thus 10.50 p. m. will be entered 22-50.

(Endorsed:) U. S. District Court, S. D. of N. Y. Filed Mar. 30, 1912.

86 United States District Court, Southern District of New York.

UNITED STATES OF AMERICA, PETITIONER,
vs.
AMERICAN-ASIATIC STEAMSHIP COMPANY ET AL., defendants. } In Equity.

Affidavit of Ernest E. Baldwin.

Ernest E. Baldwin, being duly sworn, deposes and says that he is a special assistant to the Attorney General of the United States, and as such has charge of the above entitled cause for the petitioner.

Deponent further says that said cause is now at issue as to all the defendants except the following: James H. T. McMurtrie, Shewan, Tomes & Company, G. W. Pitou, described in the petition as G. W. Piton, Thomas B. Royden, United States and China-Japan Steamship Company, Andrew Weir & Company, none of whom has been served nor has answered nor appeared herein.

That certain testimony has been taken before Gilbert H. Montague, Esq., special examiner in said cause.

That upon information and belief the allegations contained in the original petition in said cause were based upon the best information obtainable at the time that said petition was prepared and filed, but that the information obtained from the testimony thus far taken in said cause, and from other sources, shows that certain alle-

87 gations contained in said original petition are erroneous, and that it is necessary for the proper trial and determination of

said cause that the following-named corporations be named as defendants in said cause, to wit: Indra Line (Limited), Prince Line (Limited), Houlder, Weir & Boyd (Incorporated), New York and Oriental Steamship Company (Limited), Gallatly, Hankey & Company (Limited).

That it is further necessary that the petition be dismissed as to the following named defendants: James H. T. McMurtrie, Shewan, Tomes & Company, G. W. Pitou, Thomas B. Royden, United States and China-Japan Steamship Company, Andrew Weir & Company, Isthmian Steamship Company (Limited).

That it is further necessary that the original petition be amended in the following particulars:

1. By striking out paragraph (e) of subdivision 1 of Article I of said petition, on pages 2 and 3, and inserting in lieu thereof the following:

"(e) That throughout the period named in the petition there has existed a copartnership which has done business under the style of Shewan, Tomes & Company, composed of one Robert Shewan, one Charles Alexander Tomes, and other copartners to this deponent unknown; that all of said partners are residents of Hongkong, China. Said copartnership has, from sometime in the year 1903 to the time of the filing of the original petition in the above entitled cause, owned a majority of the capital stock of defendant American-Asiatic Steamship Company, has dominated and controlled the said American-Asiatic Steamship Company, and has advertised itself to be and in effect has been and is the 'general manager of American-Asiatic Steamship Company.'"

2. By inserting the word "Limited" after the words "a. Anglo American Oil Company" at the beginning of subdivision 2 of Article I of the petition at page 3, and by inserting the word "Limited" after the words "Anglo American Oil Company" in line 2 of subdivision 2 of Article I at page 3.

88 3. By substituting the words "George W. Pitou" for the words "George W. Piton, whose full name is unknown," in paragraph (b) of subdivision 2 of Article I, at page 3.

4. By striking out paragraph (a) of subdivision 3 of Article I at page 4 of said petition and inserting in lieu thereof the following:

"(a) Defendant Indra Line (Limited) is a corporation organized under the laws of the Kingdom of Great Britain, with its principal office at Liverpool, England."

5. By striking out paragraph (c) of subdivision 3 of Article I on page 4 of said petition and inserting in lieu thereof the following:

"(c) From 1903 to December, 1910, Indra Line (Limited), Hamburg-American Line and Union Steamship Company, a German corporation, not named as a defendant herein, maintained and operated a line of steamships running between the port of New York and ports in the territory of the Philippines, the countries of China and Japan, and other countries in the Far East, acting as a common carrier of freight and known as United States and China-Japan

Line. In December, 1910, the interest of said Union Steamship Company in said line was purchased by Indra Line (Limited) and Hamburg-American Line, which corporations have continued to maintain the said United States and China-Japan Line as a common carrier of freight in said area to the time of the filing of this petition."

6. By striking out paragraph (d) of subdivision 3 of Article I on pages 4 and 5 of said petition.

7. By striking out paragraph (e) of subdivision 3 of Article I on page 5 of said petition and inserting in lieu thereof the following:

"(e) Defendants Paul Gottheil, Wilhelm Voelkens, Thomas A. Sparks, H. W. Voelkens, and W. L. Walter at present constitute a copartnership doing business under the name and style of
89 Funch, Edye & Co., with offices at 8 to 10 Bridge Street, New York, and did constitute said firm at the time of the filing of said petition. From 1903 to the time of the filing of this petition there has been in existence a copartnership doing business under the firm name and style of Funch, Edye & Co. There have been some changes in the said copartnership during said period, and your petitioner is not advised as to just what partners have constituted said firm at the various times during said period. Throughout the period mentioned in the petition the said United States and China-Japan Line has been represented by Funch, Edye & Co. as agents at New York and as general managers of the said United States and China-Japan Line. Wilhelm Voelkens is a resident of Hamburg, Germany. Some of the other members of the said firm are residents of the city, State, and Southern District of New York.

8. By striking out paragraphs (a), (b), and (c) of subdivision 4 of Article I on pages 5 and 6 of said petition and inserting in lieu thereof the following:

"4. American-Oriental Line.

"(a) Defendant Houlder, Middleton & Company (Limited) is and since 1903 has been a corporation organized under the laws of the Kingdom of Great Britain, with its principal office at London, England.

"(a1) Defendant Prince Line (Limited is and has been since 1903 a corporation organized under the laws of the Kingdom of Great Britain, with its principal office and place of business at Newcastle-on-Tyne, England.

"(a2) Andrew Weir & Company is a copartnership composed of one Andrew Weir of London, England, one William Weir of London, England, and other copartners, all living in England.

"(a3) From 1903 to the time of the filing of this petition the said Houlder, Middleton & Company (Limited), the said Prince Line (Limited), and partners in the firm of Andrew Weir & Company have conducted and maintained a line of steamships known as Ameri-

can-Oriental Line, acting as a common carrier of freight between the port of New York and the territory of the Philippines, the countries of China and Japan, and other countries in the Far East.

"(a4) During the early part of said period Howard, Houlder & Partners (Incorporated), a corporation organized under the laws of the State of New York, acted as the manager and agent of the said line. On, to wit, January 1st, 1912, the said corporation, Howard, Houlder & Partners (Incorporated), was succeeded by defendant Houlder, Weir & Boyd (Incorporated), a corporation organized under the laws of the State of New York. From January 1st, to the time of the filing of this petition said defendant has acted as the manager and agent of the said line and has maintained an office in the city, State, and Southern District of New York for that purpose.

"(b) Defendant William Boyd is a resident of the city, State, and Southern District of New York, and has been from January 1st, 1912, to the time of the filing of this petition the president of Houlder, Weir & Boyd (Incorporated).

"(c) Defendant R. A. Sewell is a resident of the city, State, and Southern District of New York, and has been since January 1st, 1912, vice president of Houlder, Weir & Boyd (Incorporated)."

9. By striking out paragraphs (a), (b), (c), (d), and (e) of subdivision 5 of Article I on pages 6 and 7 of said petition, and inserting in lieu thereof the following:

"(d1) Defendant New York and Oriental Steamship Company (Limited) is and has been since 1903, a corporation organized under the laws of the Kingdom of Great Britain, having its principal office at Liverpool, England, and is the owner of certain steamships. Defendant Barber & Company (Incorporated), owns about 40% of the capital stock of said New York and Oriental Steamship Company (Limited). Certain officers and stockholders of Barber & Company (Incorporated), own an additional 15% approximately, of the capital stock of said New York and Oriental Steamship Company (Limited), by virtue of which said ownership of stock the said defendant Barber & Company (Incorporated), and its officers and agents, control and dominate the said British corporation. Said Barber & Company (Incorporated), acts as the managing owner of said New York and Oriental Steamship Company (Limited). James Warrach & Co. is a copartnership composed of James Warrach and others, all residents of Scotland.

"(e) From 1903 to the time of the filing of the petition in the above entitled cause, said defendant Barber & Company (Incorporated), has operated a line of steamships running from New York to Far Eastern ports, acting as a common carrier of freight and known as the Barber Line. The sailings of said line have, throughout said period, been made up of steamers owned by the said New York and Oriental Steamship Company (Limited), the said Lancashire Shipping Company (Limited), the said Rankin, Gilmour & Company (Limited), and James Warrach & Company, operated by

Barber & Company (Incorporated), on a commission basis for the benefit of said owners, and also of steamers chartered from
90½ time to time by defendant Barber & Company (Incorporated), from various owners on time charters and operated on said Barber & Company's own account. That during all of said period Barber & Company (Incorporated) has acted as the manager and New York agent of said line.

"(e1) Defendant Gallatly, Hankey & Company (Limited) is and has been since 1903 a corporation organized and existing under the laws of the Kingdom of Great Britain, with its principal office at London, England.

"(e2) From 1903 to the time of the filing of this petition defendant Dodwell & Company (Limited) has operated a line of steamships running from far eastern ports to the port of New York, acting as a common carrier of freight, and known as Dodwell's Line. The sailings of said line have throughout said period been made up of steamships owned by New York and Oriental Steamship Company, Lancashire Shipping Company (Limited), Rankin, Gilmour & Company (Limited), Gallatly, Hankey & Company (Limited), and operated by said Dodwell & Company (Limited) on a commission basis, and also of ships chartered by said Dodwell & Company (Limited) on time charters and operated on Dodwell & Company's (Limited) own account. Throughout said period Dodwell & Company (Limited) has acted as the agent and manager of the said Dodwell's Line."

10. By striking out the first paragraph of subdivision 2 of Article IV at page 13 of the petition, and inserting in lieu thereof the following:

"On, to wit, April 13, 1905, in furtherance of the combination and conspiracy heretofore alleged, and as a part thereof, the defendants, proprietors of the Dodwell Line, United States and China-Japan Line, American-Asiatic Line, American-Oriental Line, and Anglo American Oil Line, respectively, at London, England, executed an agreement, copy of which is hereto attached and marked Exhibit 2, and here prayed to be considered a part hereof as if herein set forth in full. Said agreement has been known by the defendants as the westward agreement and will be hereinafter so referred to. Said agreement was immediately put into effect, and with slight modifications remained in effect until the time of the filing of this petition. All of the defendants herein named have cooperated and acted together in the observance of said westward agreement from the time of its adoption to the time of the filing of this petition."

91 11. By striking out paragraphs (a) and (b) of subdivision 7 of Article I on page 8, and by striking out all of Article VII on page 20 of said petition.

12. By striking out from said petition Exhibit 2, at pages 31 to 37, inclusive, and by inserting in lieu thereof a document hereto attached and marked Exhibit 2.

13. By striking out on page 1 of the petition the names of the following defendants: James H. T. McMurtrie, Shewan Tomes & Company, G. W. Piton, Thomas B. Royden, United States and China-Japan Steamship Company, Andrew Weir & Company, Isthmian Steamship Company (Limited), and J. W. Ryan, and by adding to the list of said defendants on said page the following: Indra Line (Limited), Prince Line (Limited), Houlder, Weir & Boyd (Incorporated), New York & Oriental Steamship Company (Limited), Gallatly, Hankey & Company (Limited).

And further deponent saith not.

ERNEST E. BALDWIN.

Subscribed and sworn to before me this 17th day of June, 1913.

[SEAL.] JAMES D. FESSENDEN,
Notary Public, New York County.

(Endorsed:) U. S. District Court, S. D. of N. Y. Filed Jun. 18, 1913.

(Copy of Exhibit 2:) Memorandum of agreement, dated 13/4/05, called the westward agreement, annexed to affidavit. Same is printed at page 31, in the petition, Volume A.

92 United States District Court, Southern District of New York.

UNITED STATES OF AMERICA, PETITIONER,
vs.
AMERICAN-ASIATIC STEAMSHIP COMPANY ET AL., defendants. } In Equity.

Order amending petition.

It appearing in the above-entitled cause that an amendment to the petition herein is necessary,

Now, upon motion of H. Snowden Marshall, Esq., solicitor for the petitioner, and the affidavit of Ernest E. Baldwin, and by consent of Messrs. Burlingham, Montgomery & Beecher, Messrs. Convers & Kirlin, Messrs. Simpson, Thacher & Bartlett, and Mr. John W. Griffin, solicitors for the several defendants herein,

It is ordered that the said petition be amended in the following particulars:

1. By striking out paragraph (e) of subdivison 1 of Article I of said petition on pages 2 and 3, and inserting in lieu thereof the following:

"(e) That throughout the period named in the petition there has existed a copartnership which has done business under the style of Shewan, Tomes & Company, composed of one Robert Shewan, one Charles Alexander Tomes, and other copartners to this deponent unknown; that all of said partners are residents of Hong Kong, China. Said copartnership has, from some time in the year 1903 to the time of the filing of the original petition in the above entitled

cause, owned a majority of the capital stock of defendant American-Asiatic Steamship Company, has dominated and controlled the
93 said American-Asiatic Steamship Company, and has advertised itself to be and in effect has been and is the 'general manager of American-Asiatic Steamship Company.'"

2. By inserting the word "Limited" after the words "a. Anglo-American Oil Company" at the beginning of subdivision 2 of Article I of the petition at page 3, and by inserting the word "Limited" after the words "Anglo-American Oil Company" in line 2 of subdivision 2 of Article I at page 3.

3. By substituting the words "George W. Piton" for the words "George W. Piton, whose full name is unknown," in paragraph (b) of subdivision 2 of Article I at page 3.

4. By striking out paragraph (a) of subdivision 3 of Article I at page 4 of said petition, and inserting in lieu thereof the following:

"(a) Defendant Indra Line (Limited) is a corporation organized under the laws of the Kingdom of Great Britain, with its principal office at Liverpool, England."

5. By striking out paragraph (c) of subdivision 3 of Article I on page 4 of said petition, and inserting in lieu thereof the following:

"(c) From 1903 to December, 1910, Indra Line (Limited), Hamburg-American Line and Union Steamship Company, a German corporation not named as a defendant herein, maintained and operated a line of steamships running between the port of New York and ports in the territory of the Philippines, the countries of China and Japan, and other countries in the Far East, acting as a common carrier of freight, and known as United States and China-Japan Line. In December, 1910, the interest of said Union Steamship Company in said line was purchased by Indra Line (Limited) and Hamburg-American Line, which corporations have continued to maintain the said United States and China-Japan Line as a common carrier of freight in said area to the time of the filing of this petition."

94 6. By striking out paragraph (d) of subdivision 3 of Article I on pages 4 and 5 of said petition.

7. By striking out paragraph (e) of subdivision 3 of Article I on page 5 of said petition and inserting in lieu thereof the following:

"(e) Defendants Paul Gottheil, Wilhelm Voelkens, Thomas A. Sparks, H. W. Volekens, and W. L. Walter at present constitute a copartnership doing business under the name and style of Funch, Edye & Co., with offices at 8 to 10 Bridge Street, New York, and did constitute said firm at the time of the filing of said petition. From 1903 to the time of the filing of this petition there has been in existence a copartnership doing business under the firm name and style of Funch, Edye & Co. There have been some changes in the said copartnership during said period, and your petitioner is not advised as to just what partners have constituted said firm at the

various times during said period. Throughout the period mentioned in the petition the said United States and China-Japan Line has been represented by Funch, Edye & Co., as agents at New York and as general managers of the said United States and China-Japan Line. Wilhelm Voelkens is a resident of Hamburg, Germany. Some of the other members of the said firm are residents of the city, State, and southern district of New York."

8. By striking out paragraphs (a), (b), and (c) of subdivision 4 of Article I on pages 5 and 6 of said petition and inserting in lieu thereof the following:

"4. American-Oriental Line.

"(a) Defendant Houlder, Middleton & Company (Limited) is and since 1903 has been a corporation organized under the laws of the Kingdom of Great Britain, with its principal office at London, England.

"(a1) Defendant Prince Line (Limited) is and has been since 1903 a corporation organized under the laws of the Kingdom of Great Britain, with its principal office and place of business at Newcastle-on-Tyne, England.

"(a2) Andrew Weir & Company is a copartnership composed of one Andrew Weir, of London, England; one William Weir of London, England; and other copartners all living in England.

"(a3) From 1903 to the time of the filing of this petition the said Houlder, Middleton & Company (Limited); the said Prince Line (Limited); and partners in the firm of Andrew Weir & Com-
95 pany have conducted and maintained a line of steamships known as American-Oriental Line, acting as a common carrier of freight between the port of New York and the territory of the Philippines, the countries of China and Japan and other countries in the Far East.

"(a4) During the early part of said period Howard, Houlder & Partners (Incorporated), a corporation organized under the laws of the State of New York, acted as the manager and agent of the said line. On, to wit, January 1st, 1912, the said corporation, Howard, Houlder & Partners (Incorporated), was succeeded by defendant Houlder, Weir & Boyd (Incorporated), a corporation organized under the laws of the State of New York. From January 1st to the time of the filing of this petition said defendant has acted as the manager and agent of the said line and has maintained an office in the city, State, and southern district of New York for that purpose.

"(b) Defendant William Boyd is a resident of the city, State, and southern district of New York, and has been from January 1st, 1912, to the time of the filing of this petition the president of Houlder, Weir & Boyd (Incorporated).

"(c) Defendant R. A. Sewell is a resident of the city, State, and southern district of New York, and has been since January 1st, 1912, vice president of Houlder, Weir & Boyd (Incorporated)."

9. By striking out paragraphs (a), (b), (c), (d), and (e) of subdivision 5 of Article I on pages 6 and 7 of said petition and inserting in lieu thereof the following:

"(d1) Defendant New York and Oriental Steamship Company (Limited) is and has been since 1903, a corporation organized under the laws of the Kingdom of Great Britain, having its principal office at Liverpool, England, and is the owner of certain steamships. Defendant Barber & Company (Incorporated) owns about 40% of the capital stock of said New York and Oriental Steamship Company (Limited). Certain officers and stockholders of Barber & Company (Incorporated) own an additional 15% approximately of the capital stock of said New York and Oriental Steamship Company (Limited), by virtue of which said ownership of stock the said defendant Barber & Company (Incorporated) and its officers and agents control and dominate the said British corporation. Said Barber & Company (Incorporated) acts as the managing owner of said New York and Oriental Steamship Company (Limited). James Warrach & Co. is a copartnership composed of James Warrach and others, all residents of Scotland.

96 "(e) From 1903 to the time of the filing of the petition in the above-entitled cause said defendant Barber & Company (Incorporated) has operated a line of steamships running from New York to Far Eastern ports, acting as a common carrier of freight and known as the Barber Line. The sailings of said line have throughout said period been made up of steamers owned by the said New York and Oriental Steamship Company (Limited), the said Lancashire Shipping Company (Limited), the said Rankin, Gilmour & Company (Limited), and James Warrach & Company, operated by Barber & Company (Incorporated) on a commission basis for the benefit of said owners, and also of steamers chartered from time to time by defendant Barber & Company (Incorporated) from various owners on time charters and operated on said Barber & Company's own account. That during all of said period Barber & Company (Incorporated) has acted as the manager and New York agent of said line.

"(e1) Defendant Gallatly, Hankey & Company (Limited) is and has been since 1903 a corporation organized and existing under the laws of the Kingdom of Great Britain with its principal office at London, England.

"(e2) From 1903 to the time of the filing of this petition defendant Dodwell & Company (Limited) has operated a line of steamships running from Far Eastern ports to the port of New York, acting as a common carrier of freight and known as Dodwell's Line. The sailings of said line have throughout said period been made up of steamships owned by New York and Oriental Steamship Company, Lancashire Shipping Company (Limited), Rankin, Gilmour & Company (Limited), Gallatly, Hankey & Company (Limited), and operated by said Dodwell & Company (Limited) on a commission

basis, and also of ships chartered by said Dodwell & Company (Limited) on time charters and operated on Dodwell & Company's (Limited) own account. Throughout said period Dodwell & Company (Limited) has acted as the agent and manager of the said Dodwell's Line."

10. By striking out the first paragraph of subdivision 2 of Article IV at page 13 of the petition and inserting in lieu thereof the following:

"On, to wit, April 13, 1905, in furtherance of the combination and conspiracy heretofore alleged, and as a part thereof, the defendants, proprietors of the Dodwell Line, United States and China-Japan Line, American-Asiatic Line, American-Oriental Line, and Anglo American Oil Line, respectively, at London, England, executed an agreement copy of which is hereto attached and marked Exhibit 2 and here prayed to be considered a part hereof as if herein set forth in full. Said agreement has been known by the
97 defendants as the westward agreement and will be hereinafter so referred to. Said agreement was immediately put into effect and with slight modifications remained in effect until the time of the filing of this petition. All of the defendants herein named have cooperated and acted together in the observation of said westward agreement from the time of its adoption to the time of the filing of this petition."

11. By striking out paragraphs (a) and (b) of subdivision 7 of Article I on page 8, and by striking out all of Article VII on page 20 of said petition.

12. By striking out from said petition Exhibit 2 at pages 31 to 37, inclusive, and by inserting in lieu thereof a document hereto attached and marked Exhibit 2.

13. By striking out on page 1 of the petition the names of the following defendants: James H. T. McMurtrie, Shewan Tomes & Company, G. W. Piton, Thomas B. Royden, United States and China-Japan Steamship Company, Andrew Weir & Company, Isthmian Steamship Company (Limited), and J. W. Ryan, and by adding to the list of said defendants on said page the following: Indra Line (Limited), Prince Line (Limited), Houlder, Weir & Boyd (Incorporated), New York & Oriental Steamship Company (Limited), Gallatly, Hankey & Company (Limited).

It is further ordered that the answers heretofore filed on behalf of the several defendants herein be taken as full and complete answers to the amended petition as they were to the original petition in said cause, and it is

Further ordered that the additional defendants Indra Line (Limited), Prince Line (Limited), Houlder, Weir & Boyd (Incorporated), New York & Oriental Steamship Company (Limited),
98 Gallatly, Hankey & Company (Limited, answer said petition within fifteen (15) days from the date hereof.

Dated New York city, July 7, 1913.

LEARNED HAND, *Judge.*

We hereby consent to the entry of the above order.

BURLINGHAM, MONTGOMERY & BEECHER,
Solicitors for defendants Howard Houlder & Partners, (Ltd.), Houlder, Middleton & Co. (Ltd.), William Boyd, Robert A. Sewell, Wilhelm Volckens, Paul Gottheil, William L. Walther, Thomas A. Sparks, Hans W. Volckens, Robert H. Goodwin, Hamburg-Amerikanische Packetfahrt Aktien-Gesselschaft, American-Asiatic S. S. Co., Wm. Barclay Parsons, and Robert H. Blake.

SIMPSON, THACHER & BARTLETT,
Solicitors for defendants Barber & Co. (Inc.), Herbert Barber, James Barber, A. Houtman, Rankin, Gilmour & Co., Lancashire Shipping Co. (Ltd.).

CONVERS & KIRLIN,
Solicitors for defendants Bucknall S. S. Lines (Ltd.), Norton & Son, and Dodwell & Co.

JOHN W. GRIFFIN,
Solicitor for defendants Isthmian S. S. Co. and John J. Ryan.

(Copy of memorandum of agreement dated 13/4/05 (called the westward agreement), attached to original order. Copy of this agreement is also attached to the petition and amended petition, and appears at pages 31 and 130 of the record, Vol. A.)

(Endorsed:) U. S. District Court, S. D. of N. Y. Filed Jul. 8, 1913.

99 In the District Court of the United States for the Southern District of New York.

THE UNITED STATES OF AMERICA, PETITIONER,
vs.
AMERICAN-ASIATIC STEAMSHIP COMPANY AND OTHERS, defendants.
} In Equity.

Petition as amended.

To the honorable judges of the District Court of the United States for the Southern District of New York, sitting in equity:

The United States of America, by Henry A. Wise, its attorney, for the Southern District of New York, acting under the direction of the Attorney General of the United States, brings this proceeding in equity against American-Asiatic Steamship Company; William Barclay Parsons, R. H. Blake; Anglo-American Oil Company (Limited); Hamburg-Americanische Packetfahrt Aktien-Gesellschaft; Paul Gottheil; Wilhelm Volckens; Thomas A. Sparks; H. W. Volckens; W. L. Walther; R. H. Goodwin; Howard Houlder &

Partners (Ltd.); Houlder, Middleton Company; William Boyd; R. A. Sewell; Barber & Company (Inc.); Lancashire Shipping Company (Limited); Rankin, Gilmour & Company (Limited); Dodwell & Company (Limited); Herbert Barber; James Barber; A. L. Hautman; Bucknall Steamship Lines (Limited); Skeffington S. Norton; Joseph T. Lilly; Edward M. Norton; Indra Line (Limited); Prince Line (Limited); Houlder, Weir & Boyd (Incorporated); New York & Oriental Steamship Company (Limited); Gellatly, Hankey & Company (Limited).

100 I.

Description of the defendants and of steamship lines conducted by them.

1. American-Asiatic Line.

(a) From some time in the year 1903 to the time of the filing of this petition defendant American-Asiatic Steamship Company has been a corporation organized under the laws of the State of Maine. During all of said period it has maintained an office in the city, State, and southern district of New York, and has maintained and operated a line of steamships known as the American-Asiatic Line, acting as a common carrier of freight between the port of New York and ports in the Territory of the Philippines, the countries of China and Japan, and other countries in the Far East.

(b) Defendant William Barclay Parsons is a resident of the city, State, and southern district of New York, and is and has been ever since 1903 the president of the defendant American-Asiatic Steamship Company.

(c) Defendant James H. T. McMurtrie is a resident of the city, State, and southern district of New York, and is and has been since 1903 the secretary of the defendant American-Asiatic Steamship Company, and in charge of its principal place of business at 10 and 12 Broadway, New York City.

(d) Defendant R. H. Blake, whose full name is unknown, is a resident of the State, city, and southern district of New York, and is an employee of American-Asiatic Steamship Company.

(e) Throughout the period named in the petition there has existed a copartnership which has done business under the style of Shewan, Tomes & Company, composed of one Robert Shewan
101 and one Charles Alexander Tones. Both said partners are residents of Hongkong, China. Said copartnership has, from sometime in the year 1903 to the time of the filing of the original petition in the above-entitled cause, owned a majority of the capital stock of defendant American-Asiatic Steamship Company, has dominated and controlled the said American-Asiatic Steamship Company, and has advertised itself to be and in effect has been and is the "general manager of American-Asiatic Steamship Company."

2. Anglo-American Oil Line.

(a) Anglo-American Oil Company (Limited).

From sometime prior to 1903 to the time of the filing of this petition, Anglo-American Oil Company (Limited) has been a corporation organized under the laws of the Kingdom of Great Britain, with its principal office at London, England. During all of said period it has maintained a line of steamships between the port of New York and ports in the territory of the Philippines, the countries of China and Japan, and other countries in the Far East, known as Anglo-American Oil Line, and has by said line acted, during all of said period, as a common carrier of freight from said ports in the Far East to the port of New York. In the opposite direction it has acted as a private carrier of freight.

(b) George W. Pitou has throughout said period acted as the New York agent of said line. He is a resident of the city, State, and southern district of New York.

3. United States & China-Japan Line.

(a) Defendant Indra Line (Limited) is a corporation organized under the laws of the Kingdo mof Great Britain, with its principal office at Liverpool, England.

(b) Defendant Hamburg-Amerikanische Packetfahrt Aktien-Gesellschaft is and has been since 1903 a corporation organ-
102 ized under the laws of Germany, with its principal office at Hamburg, Germany, and the owner of a large number of steamships. It is commonly called Hamburg-American Line, and will be hereinafter so referred to.

(c) From 1903 to December, 1910, Indra Line (Limited), Hamburg-American Line and Union Steamship Company, a German corporation not named as a defendant herein, maintained and operated a line of steamships running between the port of New York and ports in the territory of the Philippines, the countries of China and Japan, and other countries in the Far East, acting as a carrier of goods for hire, and known as United States and China-Japan Line. In December, 1910, the interest of said Union Steamship Company in said line was purchased by Indra Line (Limited) and Hamburg-American Line, which corporations have continued to maintain the said United States and China-Japan Line as a common carrier of freight in said area to the time of the filing of this petition.

(e) Defendants Wilhelm Volckens, Paul Gottheil, Thomas A. Sparks, H. W. Volckens, and W. L. Walther at present constitute a copartnership, doing business under the name and style of Funch, Edye & Co., with offices at 8 to 10 Bridge Street, New York, and did constitute said firm at the time of the filing of said petition. From 1903 to the time of the filing of this petition there has been in existence a copartnership doing business under the firm name and style

of Funch, Edye & Co. There have been some changes in the said copartnership during said period, and your petitioner is not advised as to just what partners have constituted said firm at the various times during said period. Throughout the period mentioned in the petition the said United States and China-Japan Line has been represented by Funch, Edye & Co. as agents at New York of
103 the said United States and China-Japan Line. Wilhelm Volckens is a resident of Hamburg, Germany. Some of the other members of the said firm are residents of the city, State, and southern district of New York.

(f) R. H. Goodwin, whose full name is unknown, is a resident of the city, State, and southern district of New York, and is and has been since 1903 an employee of the firm of Funch, Edye & Co.

4. American-Oriental Line.

(a) Defendant Houlder, Middleton & Company (Limited) is and since 1903 has been a corporation organized under the laws of the Kingdom of Great Britain, with its principal office at London, England.

(a1) Defendant Prince Line (Limited) is and has been since 1903 a corporation organized under the laws of the Kingdom of Great Britain, with its principal office and place of business at Newcastle-on-Tyne, England.

(a2) Andrew Weir Company is a copartnership composed of one Andrew Weir of London, England, and William Weir of London, England, and other copartners, all living in England.

(a3) From 1903 to the time of the filing of this petition the said Houlder, Middleton & Company (Limited), the said Prince Line (Limited), and partners in the firm of Andrew Weir & Company, have conducted and maintained a line of steamships known as American-Oriental Line, acting as a carrier of goods for hire between the port of New York and the territory of the Philippines, the countries of China and Japan, and other countries in the Far East.

(a4) During the early part of said period Howard, Houlder & Partners (Incorporated), a corporation organized under the laws of the State of New York, acted as the New York agent of the
104 said line. On, to wit, January 1st, 1912, the said corporation, Howard, Houlder & Partners (Incorporated) was succeeded by defendant Houlder, Weir & Boyd (Incorporated), a corporation organized under the laws of the State of New York. From January 1st to the time of the filing of this petition said defendant has acted as the New York agent of the said line and has maintained an office in the city, State, and southern district of New York for that purpose.

(b) Defendant William Boyd is a resident of the city, State, and southern district of New York, and has been from January 1st, 1912, to the time of the filing of this petition the president of Houlder, Weir & Boyd (Incorporated).

(c) Defendant R. A. Sewell is a resident of the city, State, and southern district of New York, and has been since January 1st, 1912, vice president of Houlder, Weir & Boyd (Incorporated).

5. Barber or Dodwell Line.

(a) Barber & Company (Inc.) is, and has been since 1903, a corporation organized under the laws of the State of New Jersey, with its principal office at Bowling Green Building, 11 Broadway, in the city, State, and southern district of New York.

(c) Rankin, Gilmour & Company (Limited) is, and has been since 1903, a corporation organized under the laws of the Kingdom of Great Britain, with it principal office at Liverpool, England.

(c) Rankin, Gilmour & Company is, and has been since 1903, a corporation organized under the laws of the Kingdom of Great Britain, with its principal office at Liverpool, England.

(d) Dodwell & Company (Ltd.) is a corporation organized under the laws of the Kingdom of Great Britain, having its principal
105 office at London, England, and branch offices at Hong Kong and Shanghai, China, and Yokohama, Japan.

(d1) Defendant New York and Oriental Steamship Company (Limited) is and has been since 1903 a corporation organized under the laws of the Kingdom of Great Britain, having its principal office at Liverpool, England, and is the owner of certain steamships. Defendant Barber & Company (Incorporated) owns about 40% of the capital stock of said New York and Oriental Steamship Company (Limited). Certain officers and stockholders of Barber & Company (Incorporated) own an additional 15%, approximately, of the capital stock of said New York and Oriental Steamship Company (Limited), by virtue of which said ownership of stock the said defendant Barber & Company (Incorporated) and its officers and agents control the said British corporation. Said Barber & Company (Incorporated) acts as the managing owner of said New York and Oriental Steamship Company (Limited). James Warrach & Co. is a copartnership composed of James Warrach and others, all residents of Scotland.

(e) From 1903 to the time of the filing of the petition in the above-entitled cause, said defendant Barber & Company (Incorporated) has operated a line of steamships running from New York to Far Eastern ports, acting as a common carrier of freight and known as the Barber Line. The sailings of said line have throughout said period been made up steamers owned by the said New York and Oriental Steamship Company (Limited), the said Lancashire Shipping Company (Limited), the said Rankin, Gilmour & Company (Limited), and James Warrach & Company, operated by Barber & Company (Incorporated) on a commission basis for the benefit of said owners, and also of steamers chartered from time to time by defendant Barber & Company (Incorporated) from various
106 owners on time charters and operated on said Barber & Com-

pany's own account. That during all of said period Barber & Company (Incorporated) has acted as the manager and New York agent of said line.

(e1) Defendant Gellatly, Hankey & Company (Limited) is and has been since 1903 a corporation organized and existing under the laws of the Kingdom of Great Britain, with its principal office at London, England.

(e2) From 1903 to the time of the filing of this petition defendant Dodwell & Company (Limited) has operated a line of steamships running from Far Eastern ports to the port of New York, acting as a common carrier of freight, and known as Dodwell's Line. The sailings of said line have throughout said period been made up of steamships owned by New York and Oriental Steamship Company (Limited), Lancashire Shipping Company (Limited), Rankin, Gilmour & Company (Limited), Gellatly, Hankey & Company (Limited), and James Warrach & Co., and operated by said Dodwell & Company (Limited), on a commission basis, and also of ships chartered by said Dodwell & Company (Limited) on time charters and operated on Dodwell & Company (Limited's) own account. Throughout said period Dodwell & Company (Limited) has acted as the agent and manager of the said Dodwell's Line.

(f) Herbert Barber is and has been since 1903 president of Barber & Company (Inc.). He is a resident of New Jersey.

(g) James Barber is and has been since 1903 vice president of said Barber & Company (Inc.). He is a resident of the State, city, and southern district of New York.

(h) A. L. Hautman, whose full name is unknown, has during all of said period been an employee of Barber & Company (Inc).
107 in connection with its management of said Barber Line. He is a resident of the State, city, and southern district of New York.

6. American-Manchurian Line.

(a) The Bucknall Steamship Lines (Ltd.) is a corporation organized under the laws of the Kingdom of Great Britain, with its principal office at London, England. Since some time in 1905 it has been the proprietor of a line of steamships known as American-Manchurian Line, running between the port of New York and the territory of the Philippines, the countries of China and Japan, and other countries in the Far East.

(b) Defendant Skeffington S. Norton, of Pelham Manor, Westchester County, N. Y., defendant Joseph T. Lilly, of Brooklyn, N. Y., and defendant Edward M. Norton, a resident of the city, State, and southern district of New York, have been, from 1903 to the time of filing this petition, copartners, doing business under the name and style of Norton & Son, at said city of New York, and have during all of said time acted as the agents and managers of said American-Manchurian Line.

II.

Combination and conspiracy.

The above-named defendants are engaged in the foreign trade and commerce of the United States and are particularly engaged as common carriers of freight for hire between ports on the eastern or Atlantic coast of the United States and ports in the Philippine Islands and in the countries of China and Japan and other
108 countries in the Far East. In respect to said trade and commerce, the defendants are and for a long time past have been violating the provisions of the act of Congress passed July 2, 1890, entitled "An act to protect trade and commerce against unlawful restraints and monopolies," in this, that they are and have been for a long time engaged in an unlawful combination and conspiracy, unduly, unreasonably, and directly to restrain the said trade and commerce, and are and for a long time have been combining and conspiring together to monopolize and have, in fact, monopolized and do monopolize that part of the trade and commerce of the United States with foreign nations which consists in the transportation of freight between ports on the eastern or Atlantic coast of the United States and ports in China and Japan, and other countries in the Far East, in violation of the said act of Congress. Such unlawful combination and conspiracy are evidenced by and are the result and outgrowth of a series of wrongful acts extending over a period of many years last past and continuing to the present time and participated in by the defendants, respectively, in the manner and to the extent hereinafter more fully set forth. In participating in the various acts and agreements in pursuance of said combination and conspiracy, as hereinafter described, all of the defendants have been actuated by wrongful intent directly, substantially, unduly, and unreasonably to restrain the said foreign commerce and to monopolize the same. This proceeding is instituted to prevent and restrain defendants from further enforcing, abiding by, or engaging in the hereinafter particularly described agreements, contracts, combinations, and conspiracies in restraint of said trade and commerce, and the attempts to monopolize, and the contracts, combinations, and conspiracies to monopolize the said commerce, and thus
109 to prevent a further violations of the provisions of said act of July 2, 1890, in the manner described.

III.

Description of the trade and commerce in which defendants are engaged.

1. There are two principal routes by which freight is carried from points in the United States to points in the Far East, namely, the route from Pacific coast ports westward across the Pacific Ocean and

the route from the port of New York and other ports on the Atlantic coast eastward via the Suez Canal. From points in the interior of the United States freight moves by rail to the Pacific ports, thence by steamer across the Pacific or else by rail to the port of New York, thence by steamer via the Suez Canal. The tendency is for freight originating at points in the eastern portion of the United States to move to New York and go by the Suez route, because of the extremely long and expensive rail haul involved if shipment is made by the Pacific route.

Since 1903 the only steamship lines engaged in the traffic from the Atlantic coast of the United States to the Far East have been operated by defendants herein named. Each line engaged in said traffic has during all of the time it has been in operation maintained regular sailings between the port of New York and the various far-eastern ports. During said period no other port on the Atlantic coast of the United States has been reached regularly by any line.

So far as petitioner is advised no through rates are made with
110 railroads running to New York, the rates charged by each of the steamship lines being simply the all-water rates between New York and the far-eastern ports. This petition relates entirely to the traffic from the Atlantic coast, and does not involve the trans-Pacific route.

IV.

Manner and means of accomplishing the unlawful combination and conspiracy.

1. Eastward agreement.

In furtherance of the said combination and conspiracy heretofore alleged, and as a part thereof, on, to wit, April 13, 1905, defendant Barber & Company (Inc.), (part owner of Barber Line); defendant Shewan, Tomes & Company (controller through stock ownership of American-Asiatic Line); Union Steamship Company, of Hamburg; and defendants India Line (Limited), and Hamburg-American Line (owners of United States & China-Japan Line); and Howard, Houlder & Partners (Ltd.), (agents and general managers of the American & Oriental Line), by representatives all thereunto properly authorized, at London, England, met and executed a written agreement, hereto annexed and marked "Exhibit 1" and made a part of this petition and hereinafter referred to as the "eastward agreement." Said agreement was immediately put into effect by the parties thereto and, except for slight and unimportant modifications, has been kept in effect by them, with the cooperation and assistance of all of the defendants herein, to the time of the filing of this petition.

Among the provisions of the said eastward agreement were the following:

111 (a) It provided for a division among the lines parties thereto of the total number of sailings from New York to the Far East.

(b) It provided that the rates of freight from New York to the Far East should be made by the concerted action of the agents of all of said lines at New York, and each line agreed to be bound by the rates so established.

(c) It provided that in the case of Government contracts for the carriage of freight the lines should not compete, but that the profits made from such contracts should be divided among all the lines.

(d) It placed with the New York agents of the lines parties thereto large authority to cooperate and combine and conspire together to carry out the general scheme of monopolizing the traffic aforesaid.

(e) In order that freight might not be moved by a competitor of the lines parties to said eastward agreement, by reason of the said lines having insufficient tonnage to handle the same, the said eastward agreement, contained a provision for the chartering of extra steamers by the New York agents of the said lines whenever necessary to prevent such outside lines from carrying freight, and further provided that the profits arising from the business of such chartered vessel should be divided among the lines in proportion to the number of sailings which each line is entitled to under the terms of said eastward agreement.

Said eastward agreement was immediately put in effect and each and all of the defendants have observed the terms thereof during all of the time from April 13, 1905, to the time of the filing of this petition.

112 2. Westward agreement.

On towit, April 13, 1905, in furtherance of the combination and conspiracy heretofore alleged, and as a part thereof, the defendants proprietors of the Dodwell Line, United States and China-Japan Line, American-Asiatic Line, American-Oriental Line, and Anglo American Oil Line, respectively, at London, England, executed an agreement, copy of which is hereto attached and marked "Exhibit 2," and here prayed to be considered a part hereof as if herein set forth in full. Said agreement has been known by the defendants as the westward agreement and will be hereinafter so referred to. Said agreement was immediately put into effect and with slight modifications remained in effect until the time of the filing of this petition. All of the defendants herein named have cooperated and acted together in the observance of said westward agreement from the time of its adoption to the time of the filing of this petition.

Among the provisions of the said westward agreement were the following:

(a) It provided for the apportionment of the sailings westward among the various lines parties thereto.

(b) (1) It provided that the rates of freight to New York from all points in the Far East east of Singapore to be charged by each of said lines should be rates established by the joint action of the agents in Hongkong of all the lines meeting together for the purpose.

(2) It provided that the rates of freight from Singapore and Penang to New York charged by said lines should be rates made by the joint action of the agents at Singapore of said lines.

(c) It provided for the establishment of a deferred rebate system under which shippers confining their shipments to the lines
113 parties thereto should be rewarded by a return of ten per cent of the amount of freight paid by such "loyal" shippers.

(d) It provided that for the purpose of excluding outside competition rates might be temporarily lowered.

3. Pooling agreement.

In furtherance of the said combination and conspiracy heretofore alleged and as a part thereof, on said April 13, 1905, defendants hereinbefore alleged to have been at that time proprietors of Barber or Dodwell Line, United States & China-Japan Line, American & Oriental Line, and Anglo-American Oil Line, by their representatives, acting under the authority and on behalf of said proprietors. executed a certain other agreement, copy of which is attached hereto and marked "Exhibit 3" and made a part of this petition and hereinafter referred to as the "pooling agreement." Immediately upon executing said pooling agreement it was put into effect and has remained in effect ever since, with the cooperation, consent, and assistance of the parties thereto and of each and all of the defendants herein named, and has, with such cooperation and assistance on the part of all of said defendants, remained in full force and effect, except for slight modifications, not altering the general intent, purpose, and effect of said agreement, to the time of the filing of this petition. Among the provisions of said pooling agreement were the following:

(a) It provided that the earnings made by each of the lines in the eastward direction should be contributed to a fund known as the "eastward pool"; that from said fund should be deducted certain expenses, and that the amount remaining should be divided
114 among all the lines parties to the said agreement. This division was to be made annually.

(b) It provided that by similar methods the earnings of each of the lines in the westward direction should be contributed to a fund known as the "westward pool," and that after deducting certain expenses the balance remaining in said westward pool should be divided annually among all the lines parties to said agreement.

4. Pooling rules.

Slight modifications in the terms of the said pooling agreement have been made from time to time, and on, to wit, January 1, 1907, a

general revision of the terms of said agreement was made and published in the form of a pamphlet entitled "Pooling Rules," copy of which is hereto attached and marked "Exhibit 4" and made a part of this petition. The modifications of the terms of the pooling agreement made by the adoption of the pooling rules relate only to details and do not change the general plan or the general method of the pooling system embodied in the pooling agreement.

V.

Acts done in furtherance of agreements.

1. Conferences.

In furtherance of the combinations and conspiracies heretofore alleged, and particularly in furtherance of the said eastward, westward, and pooling agreements, and of the modification of the pooling agreement known as the pooling rules, there have been maintained by the defendants from April 13, 1905, to the time of filing
115 of this petition, periodical meetings or conferences of defendants, parties to the said agreements, and their representatives, among such representatives being certain defendants herein named.

(a) London conference.

From 1903 to the time of the filing of this petition, regular periodical meetings or conferences, known to the defendants as the "London conference," have been held in London, England, composed of representatives of American-Asiatic Line, United States and China-Japan Line, Anglo-American Oil Line, Barber or Dodwell Line, American & Oriental Line, and, since January 1, 1906, American-Manchurian Line. This conference, in furtherance of the general scheme of combination and conspiracy and of the written agreements heretofore described, in accordance with the provisions of said written agreements, has made, established, and revised at each of said monthly meetings schedules of sailings to be adhered to by each of the various lines engaged in the traffic heretofore described in each direction, such schedules being statements of the dates upon which each line should be permitted to start a steamship in the direction stated. Said conference has performed divers other acts in furtherance of the said general scheme of monopoly and for the purposes of the said written agreements, all tending to restrain the trade and commerce hereinbefore described and to bring about a monopoly of such trade and commerce. The resolutions, acts, and determinations of said conference have been acted upon by the defendants as binding upon them, respectively.

(b) New York conference.

From 1905 to the time of the filing of this petition, regular periodical meetings or conferences, known to defendants as the "New York conference," have been held at the city of New York,
116 composed of representatives of the American-Asiatic Line, United States and China-Japan Line, American and Oriental

Line, Barber Line, and, since January 1, 1906, representatives of the American-Manchurian Line. This conference has met weekly. The following defendants, representing the following lines, have composed it during all of said period: Defendant James H. T. McMurtrie and defendant R. H. Blake, representing American-Asiatic Line; defendant R. H. Goodwin and defendant Thomas A. Sparks, representing United States & China-Japan Line; defendant William Boyd and defendant R. A. Sewell, representing American & Oriental Line; defendants Herbert Barber, James Barber, and A. L. Hautman, representing the Barber or Dodwell Line; and, since January 1, 1906, defendants Skeffington S. Norton, Joseph T. Lilly, and Edward M. Norton, representing American-Manchurian Line. Said weekly meetings throughout said period have been held at the various offices of the above-named lines in the city, State, and Southern District of New York. At each of these weekly meetings the conference and the above-named defendants composing the same have agreed upon and established rates of freight to be charged by all of the lines engaged in the traffic hereinbefore described eastward from New York. The defendants have also at each of the said weekly meetings made contracts with individual shippers, under the terms of which preferential rates have been granted to such shippers, said preferential rates being substantially less than the regular rates established by the lines at the said conference. At each of said weekly meetings defendants have also established preferential rates of freight to be charged by the various lines, based upon the locality from which such freight should have originally moved. Said weekly conferences have also compiled and forwarded to defendant Thomas B. Royden, at Liverpool, England, information
117 as to various times of arrival and departure of ships and other information, all for the purpose of enabling said Royden and others to make up the pool accounts described in the pooling agreement and the pooling rules heretofore referred to. The resolutions, acts, and determinations of said conferences have been acted upon by the defendants as binding upon them, respectively.

(c) Hongkong and Singapore conferences.

From 1905 to the time of the filing of this petition regular periodical meetings or conferences, known to the defendants as the "Hongkong conference" and the "Singapore conference," respectively, have been held at these Asiatic cities, composed of representatives of the lines above mentioned. The said Hongkong conference, in furtherance of the general combination and conspiracy hereinbefore alleged and of the written agreements (Exhibits 1, 2, 3, and 4), has established rates of freight to be charged by the various lines engaged in the traffic heretofore described from points east of Singapore to the port of New York. The Singapore conference during said period has established rates of freight to be charged from the ports of Singapore and Penang to New York by the various lines engaged in said traffic. The conference at Hongkong and the conference at Singapore have been maintained in furtherance of the general scheme of conspiracy

and monopoly hereinbefore alleged, and particularly in accordance with the provisions on page 1 of the westward agreement hereinbefore mentioned, which provides that the rates of freight shall be established by such conferences. The resolutions, acts, and determinations of said respective conferences have been acted upon by the defendants as binding upon them respectively.

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VI.

Position of American-Manchurian Line.

At the time of the adoption of the various written agreements hereinbefore described—that is to say, on April 13, 1905—the lines in whose interest and on whose behalf said agreements were made were the only lines engaged in the traffic hereinbefore described. During the year 1905, however, the United States Steel Corporation, a corporation organized under the laws of the State of New Jersey, became dissatisfied with the rates of freight it was obliged to pay and, through the influence of said Steel Corporation, the American-Manchurian Line was established as an independent line by defendant Bucknall Steamship Lines (Ltd.). It became a formidable competitor of the lines parties to the written agreements, and on Januay 1, 1906, an arrangement was made between the lines parties to the said written agreements (Exhibits 1, 2, 3, and 4) and defendant Bucknall Steamship Lines (Ltd.), by which it was agreed that the American-Manchurian Line should be represented at the conference of the other lines, that it should maintain the rates of freight adopted by said conferences, and that the number and dates of its sailing should be adjusted by said conferences. It was also arranged that said Manchurian Line should pool its freight in the westward direction but not in the eastward. From January 1, 1906, to the time of the filing of this petition American-Manchurian Line has, by its agents, the members of the firm of Norton & Son, New York, defendants hereinbefore named, been represented at each weekly meeting of the New York conference above mentioned. It has also been represented by
119 divers other persons at the meetings of the London, Hongkong, and Singapore conferences above referred to. It has endorsed and acquiesced in all the acts of the said respective conferences and has maintained the rates of freight established by said conferences, and has confined its sailings to the number and to the times established by said conferences, and has shared its westward earnings by pooling them with the other lines in said traffic.

VIII.

Deferred rebates.

In furtherance of the combination and conspiracy hereinbefore alleged, from 1903 until the time of the filing of this petition, the defendants parties to the eastward, westward, and pooling agree-

ments, and since January 1, 1906, said defendants and defendant Bucknell Steamship Lines (Ltd.) acting with them, have maintained a system of deferred rebates, by the terms of which shippers who confined their shipments to the said lines have had returned to them at stated periods 10 per cent of the amount of freight moneys paid by them during such periods. This system still continues in effect in regard to the westward traffic. In relation to the eastward traffic, the system was abolished on January 30, 1911. The purpose and effect of said rebates is to induce or compel shippers to confine shipments to the lines operated by defendants under penalty of what amounts to a forfeiture of a sum of money held by such lines as a guarantee that such shippers will confine their shipments to said lines. This system of deferred rebates has proved an effective means of excluding outside competition and of
120 maintaining a monopoly of the aforesaid trade and commerce by the defendants.

IX.

As a result of the combination and conspiracy hereinbefore alleged and of various acts hreinbefore alleged to have been done by the defendants in furtherance of said combination and conspiracy, the said defendants have acquired a complete monopoly of that portion of the foreign commerce of the United States which consists in the transportation of freight for hire between ports on the Atlantic coast of the United States and ports in the Far East by water. Because of the combination and conspiracy hereinbefore alleged and of the acts hereinbefore alleged to have been done in furtherance thereof, the establishment of other regular lines of steamships has been discouraged and prevented, so that there is no regular line of steamships engaged in the traffic in the area above described, except those lines conducted by the defendants. Moreover, as a result of the said combination and conspiracy and of the acts done in furtherance thereof, the amount of tramp tonnage, so called, has been reduced to a negligible quantity, and there is now almost no freight carried by tramp tonnage between the eastern seaboard of the United States and the Far East.

X.

Prayer.

In consideration whereof, and inasmuch as petitioner can only have adequate relief in the premises in this honorable court,
121 where matters of this nature are properly cognizable and relievable, your petitioner prays:

1. That the aforesaid unlawful combination and conspiracy and the aforesaid contracts entered into and continued by the defendants

as set forth herein and each of the said contracts be declared illegal and in violation of the act of Congress passed July 2, 1890, entitled "An act to protect trade and commerce against unlawful restraints and monopolies," and the acts supplemental thereto and amendatory thereof, and that an injunction issue restraining and prohibiting the defendants and each, every, and all of them and their officers, servants, employees, attorneys, and agents from doing any act in pursuance or in furtherance thereof by the means herein described, or by any other means, and be required to desist and withdraw from all connection with the same, and that they and each of them be required and compelled to cancel and abate said unlawful contracts.

2. That the defendants and each, every, and all of them and their officers, servants, employees, attorneys, and agents be enjoined, restrained, and forbidden from offering or paying any bonus, rebate, or reduction of freight rates in any form or guise whatsoever in consideration or because of shippers forwarding their shipments exclusively over the lines of the defendants or some or any of them.

3. That the defendants and all and each of them, their officers, servants, employees, attorneys, and agents be enjoined and prohibited from further agreeing, combining, conspiring, and acting together to establish and maintain rules, regulations, and rates for carrying freight upon the several steamships operated by the defendants or any of them between ports in the United States and the Philippine Islands and Asiatic ports in restraint of the trade and commerce of the United States with foreign nations, and from entering into
122 or continuing in, or doing anything in aid of any combination, association, contract, or conspiracy to deprive individuals, firms, or corporations shipping freight between points in the United States and said Asiatic ports and ports in the Philippine Islands, of such facilities and rates of freight as will be afforded by free and unrestrained competition among said defendant steamship lines or any of them.

4. That the defendants and all and each of them, their officers, servants, employees, attorneys, and agents be enjoined and prohibited from further agreeing, combining, conspiring, or acting together to injure or destroy the business of any person or corporation engaged in or who may at any time hereafter be engaged in the business of carrying freight between points in the United States and ports in the Philippine Islands, or between points in the United States and Asiatic ports, and from further agreeing, combining, conspiring, or acting together to monopolize the said freight traffic in the trade and commerce between the United States and foreign nations or any part thereof.

5. That the defendants and each of them, their officers, agents, attorneys, servants, and employees be enjoined and prohibited from entering into, or taking part in, or performing any contract, combination, or conspiracy, the object, purpose, or effect of which will be

a restraint of or a monopolization of or attempt to monopolize trade and commerce in the transportation of freight between the United States and foreign nations in violation of the provisions of the act of Congress approved July 2, 1890, entitled "An act to protect trade and commerce against unlawful restraint and monopolies" and the acts amendatory thereof or supplemental thereto, either by agreeing or contracting together or with one another expressly or impliedly, directly or indirectly, as to the prices at which the said service
123 of transportation of freight shall be rendered, or as to a division of said traffic among defendants' lines or by agreeing or contracting together, or with one another, with a view to the imposition of any burden or limitation upon the service of transporting freight, or by contracting or agreeing together, or with one another, expressly or impliedly, directly or indirectly, to contribute any part of the proceeds of such transportation to any pool or general fund, or to maintain any such pool or general fund made from such contribution for the purpose of paying rebates or otherwise controlling or attempting to restrain competition among the various lines of defendants.

6. That the defendants and each and all of them, their officers, servants, employees, attorneys, and agents, be enjoined, restrained, and forbidden either to enter or clear any of their ships or vessels at the port of New York or at any other port of entry within the United States of America or any of its possessions so long as they shall continue to maintain the aforesaid unlawful combinations and conspiracies, or any other such or similar combination or conspiracy.

7. That upon the filing of this petition an injunction or restraining order be granted, restraining the defendants and each of them during the pendency of this suit in the manner expressly set forth in paragraphs 1 to 6, inclusive, of this prayer.

8. That your petitioner have such other further and general relief as to this honorable court may appear to be meet and proper.

9. To the end that each and every of said defendants may, if they can, show why your petitioner should not have the relief herein prayed for, and may according to their best and utmost knowledge, remembrance, information, and belief, full, true, direct, and perfect answer make (but not under oath, answer under oath being
124 hereby expressly waived) to each and all matters in this petition alleged and contained, and that as fully as if the same were here repeated paragraph by paragraph and they were thereunto specially severally interrogated. May it please your honors to grant to your petitioner a writ of subpœna issuing out of and under the seal of this court, directed to said defendants and each of them, commanding them and each of them on a day certain and under a certain penalty to be therein inscribed, to appear before your honors in this court, and then and there full, true, direct, and perfect answer make to all and singular the premises herein set forth, and further to

stand, to perform, and abide by such further order or decree as to your honors shall seem meet, and your petitioner will ever pray.

HENRY A. WISE,
United States Attorney for the Southern District of New York.
GEORGE W. WICKERSHAM,
Attorney General.
JAMES A. FOWLER,
Assistant to the Attorney General.
EDWIN P. GROSVENOR,
STANLEY D. MONTGOMERY,
Special Assistants to the Attorney General.

125 EXHIBIT I.

Memorandum of agreement (called the eastward agreement) regarding the trade between the Atlantic ports of the U. S. A. and eastern Asiatic ports.

Eastward agreement.

United States of America to the Straits, Manila, China, and Japan.

For the better regulation of the trade between the Atlantic ports of the United States of America and eastern Asiatic ports it is hereby agreed as follows:

1. That on the basis of forty-one sailings per annum the total shall be divided as follows:

United States and China-Japan Line	13 sailings.
Messrs. Barber & Co.'s Line	13 sailings.
The American and Oriental Line	8 sailings.
The American-Asiatic S. S. Co	7 sailings.
	41 sailings.

No other sailings can be admitted without the consent of two-thirds of the signatories based on their respective number of sailings.

The sailings alotted to each of the signatories shall be distributed as nearly as possible at regular intervals throughout the twelve months, and the order of taking the berth shall be mutually arranged by the agents in New York.

2. That the fundamental condition of this agreement is to be close cooperation, and in order to secure this result the rates of freight from America to the East shall be controlled and mutually determined by the agents in New York, who before naming or
126 altering a rate on any commodity shall first confer and agree amongst themselves as to the rate to be named and/or the reduction to be made.

All engagements shall be reported to one another by the agents in conference the first business day of each week, and copies of freight lists are to be exchanged not less than three weeks after the departure of each steamer.

3. That all contracts shall be taken for joint account, and where such contracts cannot be divided such shortages shall be made good to the parties in arrear out of the other contracts previously or subsequently secured, it being the purpose to equitably divide all bookings. Each line shall, however, be entitled to book cargo specifically for their next steamer to be despatched, provided ready to load within 30 days. No line to book cargo specifically for a steamer until allowed to do so by a two-thirds majority vote of the New York agents, based on their principals' respective number of allotted sailings.

4. That engagements of petroleum in cases, phosphate rock, and coal are not necessarily joint operations, but competition for such articles it to be avoided and the closest possible cooperation is to be aimed at. Bookings of pe'roleum in cases, phosphate rock, and coal are to be reported as soon as fixed.

5. That shipments of the Quartermaster's Department, the Navy (excluding coal), and the Insular Department, and/or any other Government department, shall be taken for joint account and pooled on a basis to be agreed between the respective agents in such a way that all may obtain their proper proportion of the benefits arising from such contracts. Shipments of specie and explosives shall be dealt with in like manner.

6. That no return of any description be given to shippers,
127 contractors, etc., and where freight brokerages are paid the amount shall not exceed one and one-quarter per cent, unless where mutually agreed by all agents to the contrary.

7. That in order to avoid unnecessary expense and possible delay, the respective parties shall nominate one of the firms of agents in New York to act for the time being as the mouthpiece of the associated agents, and also shall appoint one of their own number to act in a similar capacity on this side. All cabled enquiries regarding matters of policy, important contracts, etc., shall be communicated to the respective parties through this channel, and their replies forwarded in the same way; but it is understood that this arrangement in no way interferes with the rights of each signatory to communicate with his own agents whenever and however he thinks fit.

8. That in all matters of detail not herein decided the settlement shall be left in the hands of the agents in New York, who shall as far as possible be given a free hand in the conduct of their business.

9. That where it is considered advisable to book cargo for account of the associated lines, which through lack of accommodation on the regular steamers might otherwise fall into the hands of competitors, such cargo shall be taken care of by chartering additional tonnage, the result to be divided in proper proportion between the various interests, and the loading commission credited to the agents pro rata to the share in the trade which each of the signatories hold, based on their respective number of sailings.

All questions connected with the bookings of such additional cargo and the chartering of tonnage shall be governed by a two-thirds majority vote of the New York agents, based on their principals' respective number of allotted sailings. Each service to charter and load such extra tonnage in turn.

128 10. That the whole purpose of this agreement is an equitable and fair division of the traffic between the services, to work openly and fairly with one another, and to avoid any and all steps by which even the appearance of undue advantage is given. Should therefore conditions and questions arise which are not herein provided for, the purport and not the strict wording of this agreement is to be considered.

11. That no steamer of a greater carrying capacity than 8,000 tons all told is to be loaded under this agreement, except by the unanimous consent of the agents.

12. That should any disputes arise under this agreement, they are to be left to the decision of the signatories to this agreement, whose voting power shall be pro rata to their share in the business. Should any decision so arrived at be objected to by any party or parties hereto, the matter shall be referred to the decision of two arbitrators, who shall be commercial men in London, New York, or Hongkong, whichever place, in the opinion of the majority of the signatories, as above, is best suited for the purpose—one to be appointed by the party or parties claiming or objecting, as the case may be, and the other by the party or parties against whom the claim or objection is made, or in the case of a question as to the validity of a settlement by those parties who are content with the settlement as presented, with power to such nominated arbitrators to appoint an umpire, whose decision shall be final and conclusive between all the parties to this agreement, and for the purposes of any such reference this agreement shall be deemed to be a submission to arbitration within the meaning of the arbitration act, 1899, or any statutory modification or reenactment thereof for the time being in force, the provisions whereof shall apply as far as applicable.

129 13. That this agreement is to commence with steamers sailing from their first leading port in the U. S. A., on or after April 1st, 1905, and to remain in force until cancelled by any of the parties thereto giving six months' written notice of their desire to withdraw, such notice not to be given previous to 1st day of July, 1906.

By authority of Barber & Co. (Incd.):

WALTER CHAMBERS,
WILLIAM ADAMSON & Co.,
On behalf of Shewan Tomes & Co.

Per pro. T. B. Royden, and by written authority of the Hamburg America Line and the Union S. S. Co. of Hamburg:

P. L. ROOPER.

For the American & Oriental Line, Howard Holder & Partners (Ltd.):

ALEX. FREELAND, *Director*,
General Managers.

Witness to the signatures of Wm. Adamson & Co., P. L. Rooper, and Alex. Freeland:

ARCHD. MACLEAN,
Anglo American Oil Co. (Ltd.).
22 Billiter Street, London, E. C.

130 PETITIONER'S EXHIBIT 2.

Memorandum of agreement dated 13/4/05 (called the Westward agreement), regarding the trade between Japan, China, Manila, Straits, and Malabar coast to U. S. A. via Suez. Japan, China, Manila, Straits, and Malabar coast to east coast U. S. A. via Suez.

It is desirable to prevent competition for the same cargo among the representatives in the Far East of the signatories hereto, and also to prevent their steamers from clashing while loading.

It is therefore agreed as follows:

Rates of freight.

1. That the rates of freight to New York and/or other ports on the east coast of the U. S. A. from all ports east of Singapore shall be controlled and determined by the agents in Hongkong, who shall all work together for this purpose; agents at all other ports to be expressly prohibited from making a rate on any commodity or reducing any existing rate without the sanction of the Hongkong agents in each case. The allotment of space to be filled shall be in the hands of the Hongkong agents of each steamer.

2. That the agents in Hongkong before naming or reducing a rate from that port, or any port East of Singapore, shall confer and agree amongst themselves as to the rate to be named and/or reduction to be made.

131 Competition.

3. That the rates thus made shall be the minimum rates accepted, and no reduction from such rates shall be made unless unanimously agreed to by all the representatives in Hongkong of the parties named; except only that in the event of any outside steamer loading and quoting a lower rate at any port than the boats of the parties named, then the joint agents at that port may allow the boat preceding and following, or alongside (two only) such competing steamer to accept whatever rate the competing steamer may quote,

but it is understood that the Hongkong body is to be consulted beforehand, if possible

Singapore and Penang.

4. That the rates of freight from Singapore and Penang shall be fixed and altered by the agents at Singapore of the parties named in conference in exactly the same manner as provided in clauses 2 and 3 as regards Hongkong.

Rebates, brokerage, &c.

5. That no private rebate, brokerage (except such as is customary to a legitimate broker), share of commission, or refund of any kind be paid to anyone, directly or indirectly. All existing contracts to be declared by the various signatories.

Agents.

6. That no more than one firm of agents for the westward business of each line is to be allowed at each port, except that in the
132 Straits Messrs. Boustead & Co. and Messrs. Huttenbach Bros. & Co. may act as joint agents for the American & Oriental Line.

Number of sailings.

7. That on a basis of 46 loadings per annum it is agreed that this total shall be divided as follows:

Dodwell & Co. (Ltd.), the U. S. & C. J. Line	15½	loadings.
T. B. Royden, the Hamburg-Amerika Line, and the Union S. S. Co. of Hamburg	10½	"
Shewan, Tomen & Co	7	"
Anglo-American Oil Co	8	"
The American & Oriental Line	5	"
	46	"

133 The Anglo-American Oil Co. to confine its loadings as far as possible to its own steamers.

No other loadings to be admitted except by consent of two-thirds of the votes of the signatories, based on their respective number of loadings.

The sailings allotted above to each of the signatories shall be distributed as nearly as possible at regular intervals throughout the twelve months, and the order of taking the berth shall be mutually arranged by all the agents in Hongkong.

Reduction and increase of sailings.

8. That in the event of the 46 loadings specified above proving too few or too many for the trade of any one year, the share of the five interests dividing these 46 turns shall be increased or reduced

proportionately as may be found necessary. If a reduction should become necessary, the U. S. and C. J. Line interest to reduce first, and the second reduction to be made by the Dodwell interest. The other interests to follow in turn. On the other hand, should an increase in the number of sailings be found necessary, the American & Oriental Line is to have the first increase, the U. S. & C. J. Line the second, Dodwell & Co. (Ltd.), the third, and the other interests to follow in turn.

134 Notice of intention to load.

9. That as soon as possible a schedule be drawn up in England showing the approximate dates for the despatches allocated to the various lines for the ensuing 12 months, and that the earliest possible notice shall be given by any one of the signatories to each of the others of his intention to load any given steamer on this berth; such notice shall be given in Hongkong not less than six weeks before the date on which the steamer is expected to be ready to begin loading at Yokohama or other first port as may be decided by the Hongkong committee. Messrs. Shewan, Tomes & Co., or any interest requiring to charter, shall not be required to give more than three weeks' notice, but shall do all in their power to give a longer notice.

Substitutes.

10. That a steamer having been declared and her turn agreed, and being subsequently withdrawn from the berth, may be replaced by another of the same signatory, provided that the position of the latter is similar to that of the boat withdrawn, and that in carrying capacity the two steamers are about equal or that the agent agrees to accept as a full loading for the substitute the capacity of the boat withdrawn, if required to do so by the other conference agents. Otherwise a substitute can be put in only by general consent, or the turn will be lost.

135 11. That if any one party should at any particular time be short of tonnage and another of the signatories have a surplus of vessels at the same time, the wants of the former may be supplied by the latter, but the agents of the former shall load the steamer and receive the usual commission for so doing. If at any given time none of the signatories should have prompt tonnage to meet the requirements of the trade and fill a turn, it is desirable that the wants be supplied by preference from steamers belonging to the "lines" trading regularly with the Far East, and for this purpose Messrs. T. B. Royden, of Liverpool; Wm. Adamson & Co., of London; Dodwell & Co. (Ltd.), of London; and Messrs. Howard Houlder & Partners (Ltd.), of London, are hereby authorized to act in the matter when called upon to do so by the agents generally in Hongkong. Such steamer may be loaded by her own regular agents.

Movements of steamers.

12. That the movements of the boats at loading ports east of Hongkong shall be regulated by the Hongkong agents, so that the berth be kept as well supplied with tonnage as possible at fairly regular intervals, and the boats shall not be allowed to "jockey" each other.

Loading ports.

13. That all boats shall load at Yokohama, Kobe, Shanghai (if 300 tons or over offer), Foochow (if 300 tons or over offer), Amoy
(if 200 tons or over offer), Hongkong, Manila (if 800 tons
136 of hemp, or 2,000 tons measurement offer), Singapore, and
the Malabar coast (if 1,000 tons of local scale, or, say, 1,250 tons of 40 cubic feet, offer), but no steamer shall be compelled to load at more than six of these ports altogether, unless as provided under clause 15. One at least of these six ports to be either Kobe or Yokohama, provided not less than 300 tons be obtainable, and in any case the steamer must retain the leading turn originally assigned to her. It is within the discretion of the Hongkong agents to vary the ports named above, either by omission or substitution.

Straits cargo reservation.

14. That each boat shall reserve for Singapore and/or Penang, a minimum of 1/8th of her capacity, until the Singapore agents shall advise the Hongkong agents (as a body) that less space is required.

Insufficiency of cargo.

15. That in the event of any steamer finding a difficulty in obtaining all the cargo she requires to fill up without delay to herself and the steamer or steamers following her, her agents shall be bound as far as possible to fill her requirements by accepting cargo at any or all of the ports named in clause 13. Should she be unable by so doing to get the balance required, or by calling at some port or ports not far out of the steamer's usual route, she may be allowed to wait and block the boats behind her, but not otherwise.

Agents.

16. That the agents of the parties named at Hongkong, Singapore, Manila, and Cochin, shall be as follows:

137 *Hongkong.*

Hamburg-Amerika Linie	H. A. Agent.
Union S. S. Co., of Hamburg	Carlowitz & Co.
T. B. Royden	Jardine, Matheson & Co.
Dodwell & Co., Limited	Dodwell & Co., Limited.
Shewan, Tomes & Co	Shewan, Tomes & Co.
Anglo-American Oil Co	Standard Oil Co.
American and Oriental Line	Arnold, Karberg & Co.

Singapore.

Hamburg-Amerika Linie	Behn, Meyer & Co.
Union S. S. Co., of Hamburg	Behn, Meyer & Co.
T. B. Royden	Behn, Meyer & Co.
Dodwell & Co., Limited	Paterson, Simons & Co.
Shewan, Tomes & Co	Gilfillin, Wood & Co.
Anglo-American Oil Co	Standard Oil Co.
American and Oriental Lines	Boustead & Co., and Huttenbach Bros. & Co.

Manila.

Hamburg-Amerika Linie	Behn, Meyer & Co.
Union S. S. Co., of Hamburg	Behn, Meyer & Co.
T. B. Royden	W. F. Stephenson & Co.
Dodwell & Co., Limited	Macondray & Co.
Shewan, Tomes & Co	Castle Bros., Wolf & Sons.
Anglo-American Oil Co	Standard Oil Co.
American and Oriental Lines	Smith, Bell & Co.

Malabar Coast.

Hamburg-Amerika Linie	Volkart Bros.
Union S. S. Co., of Hamburg	Volkart Bros.
T. B. Royden	Volkart Bros.
Dodwell & Co., Limited	[illegible] & Co., Ltd.
Anglo-American Oil Co	[illegible] & Co., Ltd.
American and Oriental Lines	[illegible]

to each of whom a copy of this agr[illegible] sent by his principal as soon as possible, with insti[illegible]s that it is to be honorably carried out in spirit as well as letter

138 Instructions to agents.

17. That each of the parties named will forthwith instruct their agents at every Japanese and Chinese port, that, as regards this berth, the agents are to do nothing in the way of quoting rates except under instructions from the Hongkong agents (except as provided in clause 3); that the other agents' telegrams to their principals are to be sent through or repeated to the Hongkong agents; and that at all ports they are to work together with the representatives of each of the parties to this agreement in carrying it out, for which purpose a copy is to be sent them for their private information.

Basis of rates.

18. That in fixing rates the agents in Hongkong and Singapore shall endeavor to do so on a basis reasonably profitable to the shipowner, without being so high as to attract competition or impede trade in any commodity.

Limit of carrying.

19. That no steamer shall carry more than a total of 6,000 tons of weight and/or measurement from Japan, China, and Hongkong, except by the consent of all the parties in Hongkong.

Rebate scheme.

20. That in order to preserve the trade as far as possible for those recently and now supplying it with tonnage, it is considered necessary that shippers should be bound to them by a system of deferred rebates, made payable to the shippers in the Far East, and steps have been taken to carry out this plan.

139 Rebates at Straits Settlements and Malabar coast.

21. It is evident that this arrangement cannot be complete without extending the system of cooperation and of rebates to the Straits Settlements and the Malabar coast, and the necessary arrangements have now been made.

Notice of termination.

22. That this agreement is to commence with steamers sailing from their first loading port in the Far East on or after April 1st, 1905, and is to remain in force until cancelled by any of the parties thereto giving six months' written notice of their desire to withdraw, such notice not to be given previous to the 1st day of July, 1906.

See also clause 17 (para. 2) in pooling agreement.

Penalties.

23. That any breach of this agreement in respect of the agreed conditions by any one or more of the signatories shall render each offender liable to a penalty of one thousand pounds sterling (£1,000 0s. 0d.), or a forfeiture of all profits made by the breach, whichever amounts to the most money. The amount of such penalty or forfeiture shall be divided among the other signatories pro rata according to their interest in the annual loadings agreed. In the event of such breach being committed through inadvertence or without knowledge on the part of the offending signatory, or his agents or principals, the penalty of one thousand pounds shall not be
140 exacted, but the gross profit made through such breach shall be forfeited and divided as above.

Arbitration.

24. That should any disputes arise under this agreement they are to be left to the decision of the signatories to this agreement, whose voting powers shall be pro rata to their share in the business. Should any decision so arrived at be objected to by any party or parties hereto, the matter shall be referred to the decision of two arbitrators, who shall be commercial men in London, New York, or Hongkong, whichever place in the opinion of the majority of

the signatories, as above, is best suited for the purpose, one to be appointed by the party or parties claiming or objecting, as the case may be, and the other by the party or parties against whom the claim or objection is made, with power to such nominated arbitrators to appoint an umpire, whose decision shall be final and conclusive between all the parties to this agreement, and for the purposes of any such reference this agreement shall be deemed to be a submission to arbitration within the meaning of the arbitration act, 1899, or any statutory modification or reenactment thereof for the time being in force, the provisions whereof shall apply as far as applicable.

This agreement was made and completed in London on 13th April, 1905, as per signatures attached on the following page.

DODWELL & Co. (LTD.),
THOS. M. DEIMER.

P. p. T. B. Royden, and by written authority of the Ham-
141 burg American Line, and the "Union" S. S. Co., of Hamburg:

P. L. ROOPER.

WILLIAM ADAMSON & Co.,
On behalf of Messrs. Shewan, Tomas & Co.

For the American & Oriental Line, Howard Houlder & Partners, (Ltd.):

ALEX. FREELAND, *Director*,
General Managers.

P. pro. Anglo-American Oil Co. (Ltd.):

JAS. MCDONALD, *Director.*

Witness to the signatures of Thos. M. Dermer, P. L. Rooper, Wm. Adamson & Co., Alex. Freeland and Jas. McDonald.

ARCHD. MACLEAN,
Manager Shipping Department,
Anglo-American Oil Co. (Ltd.),
22 Billiter Street, London, N. C.

EXHIBIT 3.

Pooling agreement.

Pooling agreement between the owners (including chartered owners) of the steamers now being run or to be run in the trade between the Atlantic ports of the United States and the Far East as set forth in the agreements dated 13th day of April, 1905.

In order to consolidate the position of the associated lines and to provide a method of meeting outside opposition that may be effective, and at the same time fair and equitable to all concerned, it is hereby agreed that the net freights earned by all the steamers loaded

from the Atlantic ports of the United States to the Far East, and vice versa, in accordance with the terms of the eastward and westward agreements, dated 13th April, 1905, shall be pooled and treated as hereinafter provided.

142 1. The steamers run in the trade eastward and westward, respectively, shall be managed and disbursed by their respective owners as at present, who shall make up as soon as possible after the termination of each steamer's voyage eastward and/or westward a statement showing all the necessary pooling particulars in the forms prescribed and attached. These statements, together with all supporting vouchers, copies of manifests, certificates of cargo space and deadweight capacity and time statements showing dates and time of all arrivals and departures in prescribed form, are to be forwarded as soon as possible to T. B. Royden, Liverpool, who shall prepare at the end of each year two general pooling accounts, one for all the eastward voyages and one for all the westward voyages during the year, in which the owners of each of the said steamers shall be debited with all nett freights received by them in respect of such voyages, and the respective pooling accounts credited with the same, and a proper distribution of the balance of such pool shall be made as below.

2. The nett freights above referred to shall be arrived at by deducting from the whole gross freights (being all freights received in respect of cargoes carried by the steamers, whether under deck or on deck, in holds or in peaks, whether chartered freights or on ship's account) the following:

(a) The whole of the steamer's port charges (except as specified at the end of this clause), compulsory pilotages, tonnage dues, light dues, Suez Canal dues and incidental charges, wharfages, customs' overtime, surveys on holds and hatches, towages and removals in harbour boatmen and running lines for cargo purposes, ordinary advertising in all ports (but not advertisements re passengers or crew), agents' fees, say £10 10s. 0d., at each outward port of discharge and ½% on the westward freight at New York, or other port

143 of discharge in U. S. A. cables (except private), watchmen, consular fees (except where incurred on account of crew) on basis of British consular charges, bills of health, etc., and quarantine expenses, except such as are due to an outbreak of sickness on board or to carrying passengers, and in the case of any steamer proceeding via the Cape route by order of the conference, a sum equal to forty per cent of the Suez Canal dues thereby saved to the pool. Port expenses at ports at which steamers call for the exclusive purpose of coaling, supplies or repairs, and/or in distress or under general average or on account of passengers, are not to be deducted from the gross freights.

(b) All loading and discharging expenses, viz., stevedoring bills (including overtime), tallying cargo, dunnage, cost of magazines, charges on transhipments, cartages, etc., insurance on cargo stored

and awaiting shipment, lighterage and storage, charges on heavy lifts, and gratuities to wharfingers. Ships to provide gear to lift cargo up to five tons weight, and sufficient steam to run all winches simultaneously.

(c) All loading commissions (say 5% on the freight), brokerages, rebates, transhipments, cartages, railages, and storages. In the event of it being found necessary in the interests of the conference to pay a war premium on any steamer or freight, an equitable contribution, based on the rate current at the time the necessity is notified to the owners in question, shall be made by the pool to them.

(d) All discounts, rebates, or allowances received back by the owners on any of the above charges are to be credited back to the pool.

3. The respective pooling accounts shall then be debited, and the owners of the several steamers shall be credited with the following:

Eastward pool.—Initial hire and coaling allowance as specified in subclauses A and C.

144 Westward pool.—Initial hire and coaling allowance as specified in subclauses B and D.

Initial hire is to be reckoned at the rate of 60d. per day of 24 hours per ton of 40 cubic feet of bale space provided for cargo while the steamer is on hire to the pool either eastward or westward. The total times while in port are to be added together, fractions of a day of 12 hours or over to count as a whole day, under 12 hours are not to count. While at sea initial hire is to be counted as one day for each 240 nautical miles steamed as per schedule of distances attached hereto, the total distance steamed being divided by 240 miles, and any fraction of 240 miles remaining over to be counted as one day if one-half or over, and not to count if less than one-half.

It is understood that under no circumstances can a steamer be earning initial hire at one and the same time from both eastward and westward pools, nor does a steamer earn initial hire when not available in port for cargo working through dry docking or repairs, or other causes, not when in port for ship's purposes only, viz, coaling and otherwise, as provided in clause 5.

Coaling allowance is to be reckoned at the rate of 16d. per unit ton of 40 cubic feet of bale space provided for cargo for each 50 nautical miles steamed, as per schedule attached hereto, the total distance steamed being divided by 50, and any fraction remaining over to be counted as 50 miles if one-half or over, and not to count if less than one-half. Under no circumstances can a steamer earn coaling allowance for the same distance steamed at the same time from both eastward and westward pools. Owners are to guarantee that their steamer shall proceed at full usual speed whenever practicable, but not necessarily at exceeding 10 knots average.

145 (A) Initial hire eastward is to begin when the steamer is ready to go on the loading berths at her assigned first port of loading, or in the event of such assigned port being other than New York at such date as would allow her time on the basis of 240 miles per day, to proceed from her last preceding port or New York, which-

ever is nearer, to such port, when she is not already at such assigned port. Initial hire is not to count before the date allotted to the steamer by the New York conference committee, and is to continue (subject to the general provisions above) as follows:

In the event of a steamer not entering on a westward pool voyage immediately after her eastward pool voyage, till the completion of her discharge at her last port. In the event of a steamer making her last port of eastward discharge her first port of westward loading, till completion of her discharge. In the event of a steamer beginning her westward loading at the penultimate port of eastward discharge, the initial hire due to such steamer for the time she is in that port and in her last port of discharge (*i. e.*, the second port of loading) shall be allocated to the eastward and westward pools in proportion to the number of manifest tons loaded and discharged at such ports. In the event of a steamer completing her discharge at some other port than a port in Japan between Nagasaki and Yokohama by either route, extra initial hire and steaming allowance shall be allowed to such steamer from the completion of her discharge, on the basis of the schedule distance from such port to Moji Kutchinotzu or Yokohama, whichever distance is least.

(B) Initial hire westward is to begin when a steamer is ready to begin loading at her first assigned loading port (subject to the provisions of subclause A as to the penultimate port of eastward discharge being the first port of westward loading), or in the
146 event of a steamer being ordered from the port where her eastward initial hire ends to any other first port of loading, from the time she is ready to leave such port of termination of eastward initial hire.

In the case of a steamer not loaded out on the eastward pool berth, her initial hire westward shall start from such port in Japan as may be assigned by the Hongkong conference committee, but in the event of her being ordered to begin loading at some port not in Japan, should such assigned port be at a greater distance from her last port of eastward discharge than the nearest of the Japanese ports named in the preceding paragraph 3a, an allowance for such extra distance is to be made on the 240-mile-a-day basis.

Initial hire is not to count before the date allotted to the steamer by the Hongkong conference committee.

Initial hire is to continue (subject to the general provisions above) till completion of the steamer's discharge at her last port in the U. S. A.

(C) Coaling allowance eastward is to be reckoned according to the total schedule distances steamed, such distances to be those for which the steamer is credited with initial hire under clause 3A.

(D) Coaling allowance westward is to be reckoned according to the total schedule distances steamed, such distances to be those for which the steamer is credited with initial hire under clause 3B.

4. The balances of the said pooling accounts, after crediting them and debiting them with the amounts as aforesaid, shall be ascer-

tained, and the rate per cent. which such balances bear to the total of the initial hire credited to the owners of all the steamers included in the respective pools shall be calculated. The owners of
147 each steamer are to be then credited with an amount the equivalent of the rate per cent. so ascertained upon the amount of the initial hire of each of such owners' steamers included in each pool—as, for instance, should the balance remaining equal to 10% on the total initial hire paid for all the steamers in either pool, the owners of each steamer will be credited with an additional 10% upon the initial hire money of their steamer. Those owners who are then found to be indebted to the pool shall forthwith pay the amount of such indebtedness to the pool managers, and the managers upon receipt of same shall pay to the owners who have a balance in their favor the amount of such balances.

The pooling accounts shall be made up every 12 months, and shall cover all the steamers commencing to load out or home from January 1st to December 31st in any one year; but in the event of any one or more of the said steamers being lost, missing, or in any way incapacitated by serious accident from completing her voyage in ordinary course, this agreement shall be terminated as regards such steamer as from the date upon which she finished her preceding outward or homeward voyage as hereinbefore provided, unless upon the happening of any such event it be otherwise arranged between the parties hereto.

5. In the event of loss of time from deficiency of men or stores, quarantine through sickness or infection on board, break-down of machinery, stranding or damage, preventing the working of the vessel for more than 24 consecutive hours, the payment of initial hire shall cease until the steamer be in an efficient state to resume her service; but should the vessel be driven into port or to an anchorage by stress of weather or by any accident to the cargo, or should she be detained by quarantine regulations not due to sickness or infection on board nor to the carrying of passengers, such detention or
148 loss of time shall not be deducted from the period for which initial hire shall become due, but any contribution recoverable by the steamer from general average on account of the above is to be credited to the pool. No hire is payable during such time as a steamer is in a part of call for bunker purposes only, or is not entirely available for cargo purposes, as for example when dry-docking or undergoing structural repairs. Due notice of the time and date of such docking and/or repairing must be given in by the agents of the steamer concerned to the secretary or official representative of the local conference agents at the time of the occurrence.

6. No party shall participate in the pooling of any portion of the out and home voyage in respect of any steamer whose freight, eastward or westward as the case may be, is not brought into account and pooled.

7. Should any steamer be entitled by arrangement made by the conference as a whole to receive any special payment or allowance on

any voyage out of the pool, the amount thereof shall be credited to the owners of that steamer in the next pooling account, before division.

8. Passage money (if any) shall not be brought into the pool, but each owner shall defray all expenses and undertake all risks connected with the conveyance of passengers either eastwards or westwards, and shall retain any passage money received on this account in respect of his steamers for his sole benefit, but in case the space or deadweight capacity required for pool purposes be reduced thereby a suitable allowance shall be made to the pool.

9. Freight on deck cargo, including live stock, is to be treated as ordinary freight, but in the case of live stock the risk is to be for ship's account. Expenses of carrying live stock are to be treated as loading and discharging expenses, under clause 2, subsection b.
149 Attendants passengers are to be allowed for, to ship at the rate of 2/ 6d. per diem, unless they provide their own food, in which case no charge is to be made.

10. Cargo space.—The actual space available for cargo in any steamer loaded under the provisions of this agreement shall be measured in New York before loading commences, or after discharge is completed as the case may be, by an approved measurer, to be appointed by the conference agents, as soon as convenient, and the measurements so effected shall then be scheduled in tons of 40 cubic feet in the schedule attached to this agreement. In the cast of both eastward and westward steamers, the agents at the last port of loading must give a certificate showing the spaces (if any) available for cargo but not used through lack of cargo or similar causes.

These measurements shall be accepted by all parties hereto as showing the correct actual space available for cargo. Peaks, lazarettes, or any other similar spaces, only if used for cargo, are to be measured and allowed for. A certificate must be granted in the case of steamers on the eastward berth after completion of leading in New York by the official measurer, and in the case of steamers on the westward berth on completion of loading at the last port of call for cargo, by the representative of the conference agents at that port, showing the amount of dead-weight capacity available for cargo; which certificate must be forwarded in due course, with particulars of the measurements and other pool documents, to the pool managers for their inspection.

11. In the event of there being insufficient cargo to fill the available cargo space and to put the vessel down to her marks, the owners bind themselves to use their best endeavors to utilize the
150 extra space or dead-weight capacity thus obtained for bunker purposes. Any economy thereby obtained is to be credited to the pool.

12. The owners of each steamer shall pay the whole of the working expenses of their steamer of every kind whatsoever, which are not specifically provided for in this agreement, and shall undertake all risks and responsibilities connected with such steamer, which are not specially provided for in this agreement.

13. Each steamer undertakes to give 14.5 cwts. lifting capacity per ton of 40 cubic feet of cargo space when required, failing which her units for pooling shall be reduced accordingly. Unless otherwise mutually agreed the limit of size of steamers employed either eastward or westward shall be 10,300 tons of 40 cubic feet bale space, but steamers which have been regularly running in the trade for one voyage or more, or are now loading, are to be admitted to the pool even though in excess of the limit above.

14. The conference agents are authorized to engage lawful coast freight, live stock, explosives, and deck cargo of a harmless nature for account of the conference, which the respective owners are bound to carry on their steamers, provided the seaworthiness or safety of the vessels be not jeopardized thereby, and such freight shall be considered part of the gross freight either eastward or westward as the case may be.

15. Should it be found that through unforeseen circumstances the provisions of this pooling agreement press hardly on any individual steamer, it is agreed that the signatories shall take the matter up and deal with it in the spirit of this agreement which is that there should be a general community of interest and that all should share equally in the advantages or, if need be, the losses that may arise therefrom.

151 16. Should any disputes arise under this agreement they are to be left to the decision of the signatories to this agreement, whose voting power shall be pro rata to their share in the business.

Should any decision so arrived at be objected to by any party or parties hereto, the matter shall be referred to the decision of two arbitrators, who shall be commercial men in London, New York, or Hongkong, whichever place in the opinion of the majority of the signatories, as above, is best suited for the purpose, one to be appointed by the party or parties claiming or objecting, as the case may be, and the other by the party or parties against whom the claim or objection is made, or in the case of a question as to the validity of a settlement by those parties who are content with the settlement as presented; with power to such nominated arbitrators to appoint an umpire, whose decision shall be final and conclusive between all the parties to this agreement, and for the purposes of any such reference this agreement shall be deemed to be a submission to arbitration within the meaning of the arbitration act, 1899, or any statutory modification or reenactment thereof for the time being in force, the provisions whereof shall apply as far as applicable.

17. This agreement is in force as regards the eastward pool from the first steamer leaving New York on or after April 1st, 1905, and as regards the westward pool from the first steamer leaving Yokohama on or after April 1st, 1905.

Notice to terminate this agreement may be given by any of the signatory parties at any time not less than 12 months from the date

of signature; such notice shall only take effect at the end of the current pool period, but if the notice be given within three months of the end of a current pool period it shall not take effect till
152 the end of the pool period next succeeding, provided always that it does not continue after the termination of the eastward or westward agreements, as the case may be.

This agreement was made and completed in London on the 13th April, 1905, as per signatures attached on the following page.

DODWELL & Co. (LTD.).
THOS. M. DERMER.

P. p. T. B. Royden, and by written authority of the Hamburg American Line and the "Union" S. S. Co., of Hamburg:

P. L. ROOPER.

By authority of Barber & Co. (Incd.):

WALTER CHAMBERS.

For the Lancashire Shipping Coy.:

JAMES CHAMBERS & Co.

By authority of Rankin, Gilmour & Co.:

WALTER CHAMBERS.
WILLIAM ADAMSON & Co.,
on behalf of Messrs. Shewan, Tomes & Co.

For the American & Oriental Line, Howard Houlder & Partners (Ltd.):

ALEX. FREELAND, *Director*,
General Managers.

P. pro. Anglo-American Oil Co. (Ltd.):

JAS. MCDONALD, *Director.*

Witness to the signatures of Thos. M. Dermer, P. L. Rooper, Wm. Adamson & Co., Alex. Freeland, and Jas. McDonald:

ARCHD. MACLEAN,
Manager Shipping Department,
Anglo-American Oil Co. (Ld.),
22 Billiter Street, London, E. C.

Witness to the signatures of Walter Chambers and Messrs. Jas. Chambers & Co.:

THOS. M. DERMER.

153 EXHIBIT 4.

The Atlantic ports and eastern Asiatic ports conference.

Pooling rules.

Rules for the pooling of steamers' freights adopted as between the owners (including chartered owners) of the steamers now being run or to be run in the trade between the Atlantic ports of the United States and the Far East, as set forth in the agreements dated 13th day of April, 1905.

In order to consolidate the position of the associated lines and to provide a method of meeting outside opposition that may be effective,

and at the same time fair and equitable to all concerned, it is hereby agreed that the nett freights earned by all the steamers loaded from the Atlantic ports of the United States to the Far East, and vice versa in accordance with the terms of the eastward and westward agreements, dated 13th April, 1905, shall be pooled and treated as hereinafter provided.

1. The steamers run in the trade eastward and westward, respectively, shall be managed and disbursed by their respective owners as at present, who shall make up as soon as possible after the termination of each steamer's voyage eastward and/or westward a statement showing all the necessary pooling particulars in the forms prescribed and attached hereto (see Schedule K). These statements, together with all supporting vouchers, copies of manifests, certificates of cargo space and dead-weight capacity, and time statements showing dates and time of all arrivals and departures in prescribed form, are to be forwarded as soon as possible to T. B. Royden, Liverpool, who shall prepare at the end of each year two general pooling ac-
154 counts, one for all the eastward voyages and one for all the westward voyages during the year, in which the owners of each of the said steamers shall be debited with all nett freights received by them in respect of such voyages, and the respective pooling accounts credited with the same, and a proper distribution of the balance of such pool shall be made in the manner hereinafter provided in clause 6.

2. Freight account.—The nett freights shall be ascertained in the following manner: The whole gross freights (being all freights received in respect of cargoes carried by the steamers, whether under deck or on deck, in holds or in peaks, whether chartered freights or on ship's account) shall be first set down. From the above shall then be deducted all rebates or returns to shippers paid, and deferred rebates payable, upon the foregoing freights, after which shall be deducted all the costs, charges, and expenses actually incurred and paid, as enumerated in the schedules hereunto attached, marked C and D, respectively.

Passage money (if any) shall not be brought into the pool, but each owner shall defray all expenses and undertake all risks connected with the conveyance of passengers either eastwards of westwards, and shall retain any passage money received on this account in respect of his steamers for his sole benefit, but in case the space or dead-weight capacity required for pool purposes be reduced thereby a suitable allowance shall be made to the pool.

Freight on deck cargo, including live stock, is to be treated as ordinary freight, but in the case of live stock the risk is to be for ship's account. Expenses of carrying live stock are to be treated as loading and discharging expenses. Attendants' passages are to be allowed for, to ship at the rate of 2/6d. per diem, unless they provide their own food.

Initial hire reckoned at the rate of 60d. per day, in which case no charge is to be made.

155 of 24 hours per ton of 40 cubic feet of bale space provided for cargo while the steamer is on hire to the pool either eastward of westward. The total times, while in port, are to be added together; fractions of a day of 12 hours or over are to count as a whole day; under 12 hours are not to count. While at sea initial hire is to counted as one day for each 240 nautical miles steamed, as per schedule of distances attached hereto marked "G," the total distance steamed being divided by 240 miles, and any fraction of 240 miles remaining over to be counted as one day if one-half or over, and not to count if less than one-half.

It is understood that under no circumstances can a steamer be earning initial hire at one and the same time from both eastward and westward pools, nor does a steamer earn initial hire when not available in port for cargo working through dry docking or repairs or other causes, nor when in port for ship's purposes only, viz:

In the event of loss of time from deficiency of men or stores, quarantine through sickness or infection on board, breakdown of machinery, stranding or damage, preventing the working of the vessel for more than 24 consecutive hours, the payment of initial hire shall cease until the steamer be in an efficient state to resume her service; but should the vessel be driven into port or to an anchorage by stress of weather or by any accident to the cargo, or should she be detained by quarantine regulations not due to sickness or infection on board nor to carrying passengers, such detention or loss of time shall not be deducted from the period for which initial hire shall become due, but any contribution recoverable by the steamer from general average on account of the above is to be credited to the pool. No hire is payable during such time as a steamer is in a port of call

156 for bunker purposes only, or is not entirely available for cargo purposes—as, for example, when dry docking or undergoing structural repairs. Due notice of the time and date of such docking and/or repairing must be given in by the agents of the steamer concerned to the secretary or official representative of the local conference agents at the time of the occurrence.

No two steamers are to be on hire together at the same port of commencement of westward loading.

No party shall participate in the pooling of any portion of the out or home voyage in respect of any steamer whose freight, eastward or westward as the case may be, is not brought into account and pooled.

The special provisions referring to the eastward pool are contained in the schedule hereunto attached marked "A."

The special provisions referring to the westward pool are contained in the schedule hereunto attached marked "B."

4. Coaling allowance for both eastward and westward is to be reckoned according to the total schedule distances steamed, such distances to be those for which the steamer is credited with initial hire, at the rate of 16d. per unit ton of 40 cubic feet of bale space provided for cargo for each 50 nautical miles steamed, as per sched-

ule attached hereto, the total distance steamed being divided by 50, and any fraction remaining over to be counted as 50 miles if one-half or over, and not to count if less than one-half. Under no circumstances can a steamer earn coaling allowance for the same distance steamed at the same time from both eastward and westward pools.

In the event of a steamer beginning her westward loading at the penultimate port of eastward discharge, the coaling allowance shall be divided between the eastward and westward pools in the
157 proportion to the number of manifest tons on board during the time the steamer is proceeding between such ports, the same principle will of course apply when the order is reversed.

5. Should any steamer be entitled by arrangement made by conference as a whole to receive any special payment or allowance on any voyage out of the pool the amount thereof shall be credited to the owners of that steamer in the pooling account, to which the business refers.

6. The pooling accounts shall be made up every 12 months and shall cover all the steamers commencing to load out or home from January 1st to December 31st in any one year, but in the event of any one or more of the said steamers being lost, missing, or in any way incapacitated by serious accident from completing her voyage in ordinary course the pooling agreement shall be terminated as regards such steamer as from the date upon which she finished her preceding outward or homeward voyage as hereinbefore provided, unless upon the happening of any such event it be otherwise arranged between the parties hereto.

The balances of the said pooling accounts, after crediting them and debiting them with the amounts as aforesaid, shall be ascertained and the rate per cent which such balances bear to the total of the initial hire credited to the owners of all the steamers included in the respective pools shall be calculated. The owners of each steamer are to be then credited with an amount the equivalent of the rate per cent so ascertained upon the amount of the initial hire of each of such owners' steamers included in each pool—as for instance, should the balance remaining equal 10% on the total initial hire paid for all the steamers in either pool, the owners of each steamer will be credited with an additional 10% upon the initial hire money of their steamer.
158 Those owners who are then found to be indebted to the pool shall forthwith pay the amount of such indebtedness to the pool managers, and the managers upon receipt of the whole of the same shall pay to the owners who have balances in their favour the amounts of such balances.

In the event of a steamer owned by other than a recognised conference owner being loaded, the signatory loading such steamer shall be responsible to the pool for any debit balances that may subsequently be due by such a steamer to the pool. The details of the pooling arrangement and of the eastward and westward agreements shall not be communicated to any such owner, but the signatory loading the

steamer shall be responsible for the due performance by the steamer and her owner of all the obligations and regulations of the said agreements. No new firm shall be permanently introduced into the conference in substitution for any present member or otherwise without the consent of the majority of the remaining members.

7. The owners of each steamer shall pay the whole of the working expenses of their steamer of every kind whatsoever which are not specially provided for in these rules, and shall undertake all risks and responsibilities connected with such steamer which are not specially provided for in these rules.

8. Cargo space. The steamers which have been running regularly in the trade, particulars of which are given in the schedule attached marked "H," are accepted on the basis of dead-weight capacity and measurement capacity specified against their names. Owners tendering other steamers for the pool's acceptance and for entry in the schedule shall as soon as possible submit to the London conference committee such evidence as to measurement capacity and dead-weight carrying as the committee may require. Such evidence will generally be:

159 (a) Sketch plan showing measurements of all cargo spaces (including such peaks and lazarettes as are suitable for cargo carrying), made out by the conference surveyor.

(b) Official measurer's certificate of measurements, made in accordance with the directions laid down in the instructions already issued, subject to any agreed modifications thereof. This will be required in the first instance only.

(c) Displacement scale of steamer, with evidence from actual records of the correctness thereof whenever possible. If no actual records, builder's certificate confirming the correctness of the displacement scale shall be provided.

(d) Plan of bunkers.

The committee will consider the ratio of cubic capacity for cargo to deadweight capacity for cargo upon summer marks in each steamer put before them, and in case of the ratio being more than 58.5 cub. ft. to 1 ton deadweight for cargo, the conference may modify the number of tons for which the steamer will be scheduled. If a steamer is penalised under this clause, but the space is nevertheless filled, she shall be allowed for the extra space filled on that particular voyage. Any owner who can show that, by reason of the large deadweight capacity as compared with the pool tonnage of his steamer, he has on any voyage been specially profitable to the pool, shall be entitled to ask for special consideration.

No steamer shall be penalised under this clause to a greater extent than such space as is not actually used for cargo on any particular voyage, nor shall she be penalised in respect of unoccupied space where such space, though not actually filled with cargo, has been necessary for the proper loading and unloading of large or bulky paskages. The conference may also modify the number of

tons for which any steamer will be scheduled where by
160 reason of small and inconvenient hatches, or inconvenient arrangement of stanchions or other disabilities, stowage of such cargo as is provided for her shall be prejudiced.

Similarly the conference will consider the ratio of canal tonnage to cargo capacity, and if less than 91 c. f. (exclusive of peaks) is provided for every canal ton a deduction may be made.

Steamers entered in the schedule are bound to give for pool loading purposes, if required, the cubic and deadweight capacities noted against their names. If owing to shortage of cargo the whole schedule capacity of any steamer is not required, the owner must make use of the steamer's surplus capacity for bunker coal so long as there is no consequent loss of freight to the conference. Any economy thereby affected is to be credited to the pool.

If for any reason, such as structural alterations or modification of coal-bunker arrangements, there is any change in a steamer's scheduled record in either respect, the owners must give notice of such alteration to the pool managers, who will take steps to correct the scheduled record.

On the sailing of each steamer eastward from New York the pool measurer shall issue a certificate containing the following particulars:

Weight of bunker coal on board.
" " stores and gear.
" " water in boilers (unless included in ship's weight and displacement scale).
" " ballast or water ballast (if any).
" " cargo on board.
Mean draught upon sailing.
Draught allowed by surveyors.
Number of tons light of full deadweight capacity.
Number of cubic tons of vacant space.

161 On the westward berth no certificates will be required from New York measurers, as the instructions to measurers at Singapore, Cochin, &c., contained in the circular dated 28th April, 1906, duly carried out meet all pool requirements.

Unless otherwise mutually agreed, the limit of size of steamers employed, either eastward or westward, shall be 10,300 tons of 40 cubic feet bale space, but steamers which have been regularly running in the trade for one voyage or more, or are now loading, are to be admitted to the pool even though in excess of the limit above. In the few instances where steamers already admitted exceed the foregoing limit of size it is agreed that the owner of any such steamer may substitute another of his steamers of similar size.

In case of any unforeseen hardship to the owner or to the pool arising under these provisions the circumstances may be stated for the consideration of the conference, who may make such allowance as will ameliorate the hardship as far as possible in the particular case so stated.

These regulations are to come into force as from the beginning of pool No. 3 without prejudice to any expenses already incurred to the date of the owners receiving notice of these amendments.

9. Owners are to guarantee that their steamer shall proceed at full usual speed whenever practicable, but not necessarily at exceeding 10 knots average.

The order in which steamers shall proceed to the various ports shall not necessarily be according to their geographical position when the requirements of the cargo justify it being otherwise.

10. Steamers are to provide gear to lift weights up to twenty tons and sufficient steam to run all winches simultaneously.

162 11. Chartered steamers.—In the event of steamers being chartered by either conference, the signatory whose turn it is to load shall effect the charter and conduct all the financial operations in connection with the business.

The conference shall have the benefit of any salvage on rebates, which shall be dealt with in such manner as the London committee shall from time to time determine.

The charterers shall send an account, accompanied by the necessary vouchers, to the pool manager for incorporation in the then current year's pool.

The profit or loss of such ventures shall be dealt with by the charterers in the following manner:

In the event of a profit the amount shall be distributed among the signatories of the particular conference pro rata according to their respective shares in the trade, and

In the event of a loss the respective signatories shall contribute to it pro rata according to their respective shares in the trade.

The above-mentioned profits or losses shall then be credited or debited in the then current year's pool accounts, and the several amounts paid to or received from the signatories shall be debited or credited to the signatories (as the case may be) in making the final adjustment of the pools.

12. The conference agents are authorized to engage lawful coast freight, live stock, explosives, and deck cargo of a harmless nature for account of the conference, which the respective owners are bound to carry on their steamers, provided the seaworthiness or safety of the vessels be not jeopardized thereby, and such freight shall be considered part of the gross freight either eastward or westward, as the case may be.

13. Should it be found that through unforeseen circumstances the provisions of the pooling agreement press hardly on any indi-

163 vidual steamer it is agreed that the signatories to the agreement shall take the matter up and deal with it in the spirit of the agreement and these rules, which is that there should be a general community of interest and that all should share equally in the advantage or, if need be, the losses that may arise therefrom.

14. Should any disputes arise under these rules or should any alteration be desired therein they are to be left to the decision of the

signatories to the pooling agreement, whose voting power shall be pro rata to their share in the business.

Should any decision so arrived at be objected to by any such signatory, the matter shall be referred to the decision of two arbitrators, who shall be commercial men in London, New York, or Hongkong, whichever place in the opinion of the majority of the signatories, as above, is best suited for the purpose, one to be appointed by the party or parties claiming or objecting as the case may be, and the other by the party or parties against whom the claim or objection is made, or in the case of a question as to the validity of a settlement by those parties who are content with the settlement as presented, with power to such nominated arbitrators to appoint an umpire, whose decision shall be final and conclusive between all the parties to this agreement; and for the purposes of any such reference this agreement shall be deemed to be a submission to arbitration within the meaning of the arbitration act, 1899, or any statutory modification or reenactment thereof for the time being in force, the provisions whereof shall apply as far as applicable.

15. These rules (being a revision of the agreement dated 13th April, 1905, which came into force as regards the eastward pool from the first steamer leaving New York on or after April 1st, 1905, and as regards the westward pool from the first steamer leaving
164 Yokohama on or after April 1st, 1905) shall be treated as being in force as from the commencement of pools 3.

16. Notice to terminate or cancel these rules may be given by any of the signatories to the pooling agreement at any time; such notice shall only take effect at the end of the current pool period, but if the notice be given within three months of the end of a current pool period it shall not take effect till the end of the pool period next succeeding. In any case these rules shall not remain in force after the termination of the pooling agreement or the eastward or westward agreements, as the case may be.

Schedule A.

Initial hire—eastward pool.

1. Time for hire shall commence upon the date and at the time fixed by the New York committee and shall continue until the time hereafter mentioned, subject to any of the following modifications, and to the number of days allowed for loading in accordance with the following scale:

Steamers	9,501	tons of 40 c. f.	Pool m'nt and over.	16	running days.
"	8,501	"	to 9,500 tons.	15	"
"	7,501	"	to 8,500 tons.	14	"
"	7,500	"	and under.	13	"

Running days to exclude Sundays, Independence Day, and Christmas Day, and any other legal holiday.

2. Time in ports at which steamers call for the exclusive purpose of coaling supplies or repairs and/or in distress or under general aver-

age or on account of passengers or time occupied in dry docking and repairs or as enumerated in clause 3 of this agreement shall not be reckoned in.

3. In cases where steamers load bunker coal and load and/or discharge cargo at a coaling port the time occupied at such port shall apportioned pro rata between the owner and the pool in accordance with the number of tons of bunkers loaded and the number of manifest tons of cargo loaded and/or discharged.

"Coaling port" means a port which is generally called at for bunkers only.

4. In the event of a steamer beginning her westward loading at the penultimate port of eastward discharge the time during which such steamer is in such port and in her final port of discharge (i. e., her second port of loading) shall be allocated to the eastward and westward voyages in the proportion to the number of manifest tons loaded and discharged at such ports; this applies also to the hire for the distance between such ports, which is to be allocated in proportion to the number of manifest tons on board on account of each pool during the passage.

5. In the event of a steamer completing her discharge at some port other than in Japan between Nagasaki and Yokohama, by either route, and not entering upon a westward pool voyage forthwith, extra initial hire and steaming allowance shall be allowed to such steamer from the completion of her discharge on the basis of the schedule distance from such port to Moji, Kutchinotsu, or Yokohama, whichever distance is least. In the event of a steamer completing her discharge at a port other than the first port of loading on the westward berth, the hire and steaming allowance shall be paid up to the date of arrival at such loading port.

6. In the case of conference owned steamers loaded on one berth by the owners and being then chartered for the other berth by other members of the conference (or vice versa) the hire ceases in the same way as already provided in the case of steamers not loading on the other berth, and the hire does not commence on the other berth until the time as already provided in the case of outside steamers chartered for the berth.

7. The hire continues until the completion of the discharge at the last port of discharge (subject to the exceptions herein already stated).

Schedule B.

Initial hire—Westward pool.

1. The time at which the steamer comes on hire commences upon the date and at the time fixed by the Hongkong committee subject to any of the following modifications.

2. Time in ports at which steamers call for the exclusive purpose of coaling, supplies, or repairs, and/or in distress or under general average, or on account of passengers is not to be reckoned in.

3. In cases in which steamers load bunker coal and load and/or discharge cargo at Moji, or other coaling port, the time occupied in so doing is to be apportioned pro rata between the owner and the pool according to the tonnage of the bunkers loaded, and the cargo loaded and/or discharged.

"Coaling port" means any port which is generally called at for bunker purposes only.

4. In the event of a steamer beginning her westward loading at the penultimate port of eastward discharge the time during which the steamer is in such port and the second port of loading (i. e., her last port of eastward discharge) shall be allocated to the eastwa and westward voyages in the proportion to the number of manifest tons loaded and discharged at such ports; this also applies to the hire for the distance between such ports, but it is to be allocated pro rata according to the number of manifest tons on board on account of each pool during the passage.

5. In the case of a steamer not loaded out on the eastward
167 pool berth, her initial hire westward shall start from such port in Japan as may be assigned by the Hongkong conference committee, but in the event of her being ordered to begin loading at some port not in Japan, should such assigned port be at a greater distance from her last port of eastward discharge than the nearest of the Japanese ports of Moji, Kutchinotsu, or Yokohama, an allowance for such extra distance is to be made on the 240 mile a day basis.

6. In the case of conference-owned steamers loaded on one berth by the owners and chartered for the other berth by other members of the conference (or vice versa), the hire ceases in the same way as already provided in the case of steamers not loading on the other berth, and the hire does not commence on the other berth until the time as already provided in the case of outside steamers chartered for the berth.

7. The hire continues until the completion of the discharge at her last port of discharge, in the U. S. A.

SCHEDULE C.

Disbursements payable by the eastward pool.

Port charges.

1. First port of loading. Outward only.
2. Tonnage dues.
3. Light dues.
4. Compulsory pilotages.
5. Wharfages.
6. Custom's overtime and permits.
7. Towages and removals in harbour.

8. Boatmen and running lines (for cargo purposes only).
9. Bills of health and consular fees (except for crew), consular fees for German steamers 6/3 inwards and 6/3 outwards.
168 10. Quarantine and fumigating charges (except where on account of sickness among crew or passengers).
11. Suez Canal expenses.
12. Custom's grantuities (when specially authorized by the local committee).

Loading and/or discharging.

1. Stevedore's bills.
2. Tallying cargo.
3. Cables and telegrams, as defined in the conference circular letter, dated March, 1907, a copy of which is hereto annexed and marked "F."
4. Surveys on holds and hatches.
5. Cost of magazines.
6. Advertising $50 to cover U. S. ports.
7. Advertising consignees only at eastern discharging ports.
8. Storage and insurance on cargo.
9. Lighterage.
10. Railage and cartages.
11. Heavy lifts (extra expense for use of gear when over twenty tons).
12. Gratuities to wharfingers.

Commissions and brokerages.

1. Loading commission of 5% upon the gross manifest freight (deducting only therefrom any special returns or rebates other than deferred rebates). The commission is to be charged in each port's disbursement account at which it is earned.
2. Agency fee of £10 10s. 0d. at each discharging port, except in case of full cargo of case oil to one port, when the agency fee shall be not exceeding £21, and except in other cases herein specially provided for.
3. Brokerages.
4. Philippines as per Schedule E.

169 Interest.

When freight is payable abroad interest at the rate of 4% per annum upon the cash amount of such freight from the date of sailing to the date that the amount is credited in the agent's account as cash not exceeding two months after the date of arrival at the port of destination, but upon case oil freight, to the due date of the bill receivable or the date upon which the amount is credited in the agent's account as cash, whichever is least.

Deferred rebates.

To be deducted in one total from the total of the freight account.

Special returns or rebates to shippers.

To be deducted from the total freight upon which such allowances are made in the freight account.

General.

1. All transhipment charges.
2. War premiums where specially authorized by conference.
3. 40% of canal dues saved when a steamer is ordered by the conference to go via Cape.
4. Where steamers finish their discharge at another port than the first port of loading westward, the outward charges at such last port of discharge and the inward charges at such first port of loading on the westward berth.

In cases where steamers load bunker coal and load and/or discharge cargo at Moji or other coaling port the port charges shall be paid by the owners and the pool, pro rata, according to the tonnage of the bunker loaded and cargo loaded and/or discharged.

"Coaling port" means any port which is usually called at for bunker purposes only.

170 5. Proportion of port expenses at any port at which the steamer loads and/or discharges on account of both pools during the one visit.

6. The inward charges and cost of discharge, etc., only at last port of discharge (except where otherwise herein specially provided).

Schedule D.

Disbursements payable by the westward pool.

Port charges.

1. The outward charges at the first port of loading are alone payable (except in cases herein specially provided).
2. Tonnage dues.
3. Light dues.
4. Compulsory pilotages.
5. Wharfages.
6. Custom's overtime and permits.
7. Towages and removals in harbour.
8. Boatmen and running lines (for cargo purposes only).
9. Bills of health and consular fees (except for crew). Consular fees for German steamers 6s. 3d. inward and 6s. 3d. outwards.

10. Quarantine and fumigating charges (except where on account of sickness among crew or passengers).
11. Suez Canal expenses.
12. Custom's gratuities (when specially authorized by the local committee).

Loading and/or discharging.

1. Stevedores' bills.
2. Tallying cargo.
3. Surveys on holds and hatches.
4. Cost of magazines.
171 5. Advertising—twenty Mexican dollars or yen at each eastern loading port or port where considerable quantities of cargo are generally booked and the cost of advertising consignees only at westward discharging ports.
6. Storage and insurance on cargo.
7. Lighterage and demurrage on lighters.
8. Railage and cartages.
9. Gratuities to wharfingers.
10. Heavy lifts (extra expense for use of gear when over twenty tons).
11. Cost of cleaning up holds.
12. Cables and telegrams, as defined in the conference circular letter, dated March, 1907, a copy of which is hereto annexed and marked "F."

Commission and brokerages.

1. Loading commission of 5% (except as provided in Schedule E for Philippine hemp cargo) upon the gross manifest freight earned at each several port (deducting for the purpose of calculation from the gross manifest freight any special returns or rebates to eastern shippers, other than deferred rebates). The commission is to be charged in each port's disbursement account, and not in one sum at the end. An extra 2½% as brokerage to be allowed when paid at Mediterranean ports. Agency fee at Boston, Philadelphia, &c., $50.
2. Brokerages.
3. Special commissions (as at present agreed upon).
4. Philippines as per Schedule E for hemp cargo, and 5% on general cargo.
5. ½% commission on the westward freight (less returns to shippers, &c.) for collection at home ports.

172 Deferred rebates.

To be deducted in one total from the total of the freight account, but full particulars are to be given.

Special returns or rebates to shippers.

To be deducted in the freight account from the total manifest freight of the port at which such allowances are made.

General.

1. All transhipment charges.
2. War premiums, where specially authorized by conference.
3. Proportion of port expenses at any port at which the steamer loads and/or discharges on account of both pools during the one visit.

In cases where steamers load bunker coal and load and/or discharge cargo at Moji or other coaling port, the port charges shall be paid by the owners and the pool, pro rata, according to the tonnage of the bunkers loaded, and cargo loaded and/or discharged.

"Coaling port" means any port which is usually called at for bunker purposes only.

Notes.

(Applicable to both eastward and westward pools.)

1. Credit must be given in the above for all discounts, rebates, and allowances made upon any of the above named charges.
2. All supplementary charges or credits which come to hand after any or all of the disbursement or other accounts have been passed should be kept together and sent in all together in one account.
173 3. American owners' accounts are to be rendered into dollars first and then converted into sterling at $4.87 exchange.

German owners' accounts from New York are to be treated as above, but the eastern port accounts are to be rendered in marks and then converted into sterling at marks 20–43 exchange.

Some disbursements which are not payable by the pool.

1. The outward charges at last port of discharge (except in cases otherwise herein provided for) are not payable by the eastward pool.
2. Inward charges at first port of loading are not payable by the westward pool.
3. Expenses incurred prior to the commencement of hire.
4. Dunnage.
5. Special allowance for dunnage for case oil.
6. Claims on cargo.
7. Cooperage, etc.
8. Watchmen (ship and cargo).
9. Cost of loading and discharging gear (only the use of same may be charged for) for lifts over twenty tons.
10. Water for ship's use.

11. Commissions for advance of freight.
12. Washing.
13. Noting protest.
14. Gratuities to officers and crew or overtime to officers and crew.
15. Captain's port expenses.
16. Adjuster's fee.
17. Stationery, manifest, bills of lading, etc.
18. Postages and petties.
19. All expenses for ports at which the steamer calls for the exclusive purpose of coaling, supplies or repairs and/or in distress or under general average, or on account of passengers or crew.

174 Schedule E.

Philippines—Revised agency commission.

The following is extracted from the letter from Messrs. Smith, Wood & Co., attached to Messrs. Dodwell's circular of 22nd March, 1907.

1. That all agents are to be on the same basis.
2. That the fees received are to be nett and carry no return to anyone.
3. That the other shippers agree not to require brokerage to be paid on freight engagements.
4. That in case it should become possible to load steamers at Iloilo, that that port shall not be covered by the present arrangement, but that a commission of 2½% on the freight should be paid on all cargo shipped from there.
5. That where the steamers at Manila and Cebu are in different hands they should not be considered as being covered by the one fee, but that the agent at each port should receive the fees as per scale on the quantity of hemp shipped at that port.
6. That no change of agencies to our prejudice should be made, unless for good cause given by our houses in the Philippines.

Provided these conditions are agreed to, we shall be obliged if you will see that we are informed in time for us to cable to Manila on the same day as the other shippers purpose cabling their representatives.

The terms arranged are as follows, and are to cover entering and clearing the ship and all the work in connection with the loading and engaging of the cargo, and to cover also for loading at Manila or Cebu, whether one or two ports (except as stipulated above) and discharging at Boston or New York, whether one or two ports.

175 For outward cargo from the Philippines:

Up to	5,000	bales	hemp,	inclusive			£50
Above	5,000	bales	and up	to	10,000	bales, inclusive	£75
"	10,000	"	"		15,000	"	£100
"	15,000	"	"		20,000	"	£125
Over	20,000	"					£150

The scale on inward cargo to be 6d. per manifest ton up to 2,000 tons, with a minimum of £20. 3d. per manifest ton for every ton over 2,000 tons.

The contents of this letter were communicated to Messrs. Ker, Bolton and Co., and agreed by them with the exception of the 4th clause, which would only apply in the event of the shipment of sugar. As that is not at present an article of export to the States, it was agreed that charges should be arranged later on, in the event of a mixed cargo of sugar and hemp being shipped from two or more ports, on the basis of the hemp scale.

Scale comes into force eastward with Alesia, arrived Manila 10th May, 1907, and westward with Erroll, sailed Manila 23rd May, 1907.

Schedule F.

Conference circular letter—Cable and telegraph expenses.

Westward business.

All expenses incurred for telegrams and cables which come within the appended definition shall be supported by vouchers giving a translation into English of each telegram or cable, and the cost thereof. Within three days of a steamer leaving any port the agents of the vessel shall submit the account, vouched as mentioned, to be signed by the local conference secretary and certified by him as chargeable to the pool. The account shall then be debited in
176 the steamer's disbursements account in the usual way, and the certified account and vouchers shall be included among the vouchers for the steamer's disbursements at the particular port from which the messages are sent.

It is very desirable that all other telegrams and cables charged in the steamer's account shall be in like manner supported by similar explanatory vouchers, on which the cost is marked.

It has been agreed that the whole of the expenses incurred on account of steamers sailing from their first port of loading previously to 1st January, 1907, shall be paid for by the owners and/or charterers of the respective steamers.

This regulation is to supersede the arrangement previously made and dated October, 1906, for the adjustment of the expenses at Hongkong every three months, and will apply to all steamers which commence their voyages after the S. S. Wray Castle, which steamer sailed from Yokohama on 9th January, 1907.

Your careful attention to these details is earnestly requested.

Messages which are of a general nature and belong to no steamer in particular, official telegrams between local committees and Hongkong and the acting secretaries in London, will be continued to be dealt with as they have hitherto been dealt with by the local conference secretaries.

By order of the conference:

T. B. Royden,
Pool Manager.

Liverpool, *March, 1907.*

Definition of cables, &c., the cost of which is to be charged in the steamer's disbursement accounts, and which will be pooled.

177 The cost of cables, telegrams, and postages coming under any of the following heads are chargeable to the conference, the intention being that the cost of all information necessary or generally recognised as convenient in the interest of either the eastward or westward conference shall be charged.

1. These sent officially by the recognised medium of communication, or by any firm at the general request of the others interested and dealing with questions of general policy or management.

2. Those sent by any of the recognised agents of the respective members of the conference offering cargo, inquiring for special rates, &c., or negotiating for special blocks of cargo on conference account, or advising movements and earnings of steamers on the berth, or accepted for berth employment by the local conference committee.

3. Those sent by the recognised medium of communication, or by any of the recognised agents of the respective members of the conference making enquiries as to positions of steamers, or space or cargo available, or giving such information, or advising movements and/or particulars of freight.

1. Those sent by agents to their principals in Europe or the U. S. A., or from one port to another, giving information similar to the above.

The cost of cables, etc., referring to crew, passengers, repairs of steamer, bunker coal, or any other business solely on owners' account are not chargeable.

Conference circular letter—Cable and telegraph expenses.

Eastward business.

Claims for the cost of telegrams and cables must be accompanied by vouchers signed by the local secretary, giving translations of the messages into English and the cost incurred.

178 The amount must be debited in the steamers' disbursement account at the port at which such expenses have been incurred, and will subsequently be adjusted by the pool adjuster in Liverpool in the usual quarterly adjustments.

By order of the conference:

T. B. ROYDEN,
Pool Manager.

LIVERPOOL, *March, 1907.*

G.

Schedule of distances.

General note.

(A) Times of arrival at and departure from the various ports are to be generally taken as follows:

Arrival to count from the time of dropping anchor to receive visit of medical inspection for quarantine purposes. Departure to

count from the time of the order being given for the engines "Full speed ahead."

At New York, arrival and departure are to count from the time of passing Sandy Hook inwards and outwards, respectively.

At Singapore, time of arrival is to count both eastward and westward from dropping anchor to receive pilot, and time of departure both eastward and westward from time of dropping pilot.

At Shanghai, times of arrival and/or departure to count from passing the Fairway Bell buoy near Woosung Bar.

(B) In all distances in which the passage of the Suez Canal is involved an additional distance of 87 miles is to be allowed to compensate steamers for loss of time in the canal.

(C) Steamers sailing from their last loading port in the
179 U. S. A. for the Mediterranean, or leaving the Mediterranean for the U. S. A. between Sept. 25th and March 20th, both dates inclusive, are entitled to the extra distance allowed for winter passages.

(D) Steamers sailing westward from Singapore between May 5th and October 5th (both dates inclusive), and from any South Indian port between May 15th and October 15th (both dates inclusive), are entitled to the extra distance allowed for Monsoon passages, as follows:

Distances marked * 100 miles extra coming westward.

Distances marked × 200 miles extra coming westward.

(E) Distances from Mediterranean ports to Boston are to be taken as being 240 knots less than to New York.

NOTE.—The letter (E) denotes log distances taken temporarily, until 3 steamers' logs are available for the distances in question.

	Miles.
New York:	
Baltimore	402
Boston	295
Durban	7,657
Gibraltar (in summer)	3,358
" (in winter	3,578
Norfolk, Va	280
Philadelphia	230
Port Said (in summer)	5,280
Do. (in winter)	5,500
Delaware Breakwater	160
Algiers (in summer)	3,933
Do. (in winter)	4,153
Boston:	Miles.
Gabraltar (in summer)	3,118
Do. (in winter)	3,338
Norfolk, Va.:	
Algiers (E) (in summer)	3,790
Gibraltar:	
Marseilles	696
Port Said	1,922
Do. (via Almeria) (E)	1,949
180 **Port Said:**	
Aden	1,400
Alleppey	3,253*
Cochin	3,256*
Colombo	3,500*
Marseilles	1,518

	Miles.
Gibraltar—Continued.	
Penang	4,733×
Singapore	5,027×
Tellicherry	3,200*
Algiers	1,508
Padang	4,865×
Delaware Breakwater	5,153
Dalny (via Sabang) (E)	7,626
Aden:	
Alleppey	1,860*
Cochin	1,863*
Colombo	2,107*
Singapore	3,640×
Penang	3,334×
Tellicherry	1,800
Colombo:	
Pasoeran	2,421
Penang	1,275
Pondicherry	546
Singapore	1,560*
Tegal	2,072*
Vizagapatam	858
Durban:	
Hongkong	6,332
Manila	6,228
Shanghai	7,044
Singapore (via Cunda)	5,000
Do. (via Malacca)	4,893
Singapore:	
Alleppey	1,865*
Batavia	509
Cebu	1,332
Chifu	2,548
Chemulpo	2,647
Cochin	1,893
Hongkong	1,446
Iloilo	1,319
Kobe	2,672
Labuan	735
Manila	1,357
Nagasaki	2,420
Negapatam	1,570*
181 Pekalongan	675
Penang	383
Samarang	684
Shanghai	2,236
Sourabaya	764
Taku	2,892
Tijilajap	800
Tellicherry	2,008*
Vizagapatam	1,588
Vladivostock	3,100
Yokohama	2,910
Keelung	1,824
Dalny (E)	2,680
Iloilo:	
Amoy	954
Cebu	230
Negapatam	2,884*
Moji (E)	1,700
Hongkong (E)	882
Manila:	
Alleppey	3,222*
Amoy	682
Batavia	1,583
Cebu	386
Chifu	1,481

	Miles.
Manila—Continued.	
Foochow	775
Iloilo	367
Kobe	1,505
Labuan	690
Moji	1,445
Nagasaki	1,306
Shanghai	1,124
Swatow	618
Yokohama	1,725
Takau (E)	564
Hongkong:	
Amoy	296
Batavia	1,813
Chemulpo	1,267
Chifu	1,197
Foochow	472
Kobe	1,373
Manila	637
Nagasaki	1,066
Shanghai	850
Swatow	181
Taku	1,484
Yokohama	1,580
Vladivostock	1,665
182 Keelung	476
Cebu	984
Takau	337
Amoy:	
Keelung	223
Cebu (E)	1,127
Foochow:	
Amoy	202
Keelung	122
Shanghai:	
Amoy	580
Batavia	2,472
Chemulpo	502
Chifu	522
Foochow	458
Fusan	519
Keelung	436
Kiauschau (Tsingtau)	390
Kobe	775
Kutchinotzu	481
Moji	537
Nagasaki	463
Port Arthur	541
Swatow	695
Taku	732
Vladivostock	1,014
Yokohama	1,050
Karatsu (E)	434
Newchwang (E)	651
Otaru (E)	1,300
Taku (E)	628
Dalny (E)	510
Kiauschau:	
Chifu	245
Taku:	
Chemulpo	462
Kobe	1,036
Moji	798
Nagasaki	776
Vladivostock	1,288
Yokohama	1,360

	Miles.
Chemulpo:	
Fusan	407
Kobe	724
Moji	486
Nagasaki	480
Vladivostock	1,000
Yokohama	1,048
Kutchnotzu (E)	506
Dalny	286
183 Fusan:	
Otaru (E)	760
Moji:	
Batavia	2,984
Chifu	579
Fusan	160
Kiauschau	565
Kobe	238
Kure	120
Nagasaki	150
Sourabaya	3,000
Vladivostock	578
Yokohama	562
Newchwang (E)	756
Takau (E)	953
Dalny (E)	628
Kobe:	
Chifu	846
Kure	140
Nagasaki	388
Tsingtau	805
Vladivostock	816
Yokohama	345
Kutchinotzu (E)	440
Karatsu (E)	316
Otaru (E)	1,054
Fusan (E)	398
Keelung (E)	963
Dalny	865
Yokohoma:	
Batavia	3,164
Chifu	1,170
Kutchinotzu	723
Nagasaki	712
Port Arthur	1,265
Vladivostock	1,140
Kutchinotzu:	
Sebu (E)	1,442
Nagasaki:	
Chifu	552
Vladivostock	710
Dalny (E)	623
Cochin:	
Alleppey	32
Tellicherry	120
Penang (E)	1,510
Calicut (E)	85
Cuddalore:	
Nagapatam	58
Pondicherry	14
184 Calicut:	
Tellicherry (E)	35
Batavia:	
Labaun	919
Pasoeran	413
Probolingo (E)	437

	Miles.
Sourabaya:	
Beboeki	71
Pasoeran	30
Probolingo	48
Tegal	413
Tjilatjap	532
Bezoeki:	
Pekalongan	351
Probolingo:	
Tegal (E)	405
Tegal:	
Padang (E)	708
Pasoeran:	
Probolingo	21
Samarang	354

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Schedule H.

List of steamers sailing regularly.

[The number of units, etc., will be duly advised in each case, as ascertained.]

Steamers.	Dead-weight for cargo.		Pool measurement.	Pool units.
	Summer.	Winter.		
Lennox				
Braemar				
Atholl				
Montrose				
Lothian				
Erroll				
Sagami				
Hindustan				
Saint Hugo				
Saint George				
Saint Egbert				
Saint Patrick				
Saint Fillans				
Saint Bede				
Saint Dunstan				
Satsuma				
Shimosa				
Suruga				
Sikh				
Ghazee				
Pathan				
Wray Castle				
Lowther Castle				
Muncaster Castle				
Indrani				
Indramayo				
Indrasamha				
186 Indrapura				
Indrawadi				
Indravelli				
Inveresk				
Inverclyde				
Aragonia				
Nubia				
Alesia				
Vandalia				
Verona				
Albenga				
Tudor Prince				
Norman Prince				
African Prince				
Afghan Prince				
Yeddo				
Quito				
Jesseric				
Coulsdon				
Croydon				
Foxley				
Headley				
Hudson				
Kennebec				
Seneca				
Schuylkill				

187 Schedule J.

The Atlantic ports of the U. S. A. & eastern Asiatic ports conference.

Instructions to pool measurers at Singapore, Cochin, or other last port of westward loading.

The measurer appointed by the local conference committee is to hand a certificate to the local agent of each steamer finishing loading on the westward berth, setting forth the following particulars:

(1) Approximate unoccupied space in each cargo compartment of each steamer completing her westward loading at that port, giving the reason why such space is not filled, whether owing to lack of cargo or unsuitability of space for cargo available or otherwise.

(2) If any peak, lazarette, bunker space, or other such space is used for cargo purposes, the fact must be noted on the certificate, and if it is so used while there is still space available in the proper cargo holds, the reason for such course must be given.

(3) The dead-weight capacity of each steamer available for cargo, noting the total dead-weight of steamer ,the weight of bunker coal on board upon sailing, the approximate weight of stores, water in boilers, dunnage, etc., and the estimated weight of cargo on board. Care must be taken, in giving these particulars, to note whether the total dead-weight is on ordinary summer freeboard, winter freeboard, or Indian summer freeboard.

N. B.—A signed copy of every official document should be sent by the official measurer to T. B. Royden, 20 Brown's Building, Liverpool, as soon as possible, for every steamer sailing for the conference.

By order of the London conference committee.

T. B. ROYDEN, *Manager.*

LIVERPOOL, *28th April, 1906.*

188 Schedule K.

Eastward pool No.

The Atlantic ports of the U. S. A. and eastern Asiatic ports conference.

S. S. ——, ——, owners.

Particulars of receipts and payments by the owners on account of the pool.

[Certified bale space available for cargo, ... cu. ft. Certified dead-weight capacity, ... tons.]

Net freight as per account attached									
Less deferred rebates									
Disbursements as per accounts attached, viz.									
Time { in port / steaming } days									
Steaming allowance									
Tons for .... units at 16d. per unit									
Initial hire									
Tons for .... days at 60d. per ton per day									
Surplus to pool									

189 **Eastward Pool No.**

S. S. ——

The Atlantic ports of the U. S. A. and eastern Asiatic ports conference pool.

PARTICULARS OF TIME.

Ports.	Time in port.					Steaming distances, knots.
	Begins.		Ends.		Equals.	
	Date.	Time.	Date.	Time.	Ds. Hs. Ms.	
New York						
Norfolk						
Port Said						
Suez						
Aden						
Singapore						
Manila						
Hongkong						
Shanghai						
Nagasaki						
Moji						
Kobe						
Yokohama						
				Totals...		

Ds. Hs. Ms.

Time in port.....
.....knots at 240 per day _____

190 **Eastward.**

Arrival and departure record of S. S. ——, voy. ——, pool No. ——.

Name of port.	Time and date of						Time in port.		
	Arrival.			Departure.			Days.	Hrs.	Mins.
	Month.	Date.	Time.	Month.	Date.	Time.			
Norfolk									
New York passing Sandy Hook									
Algiers or Gibraltar									
Port Said									
Aden									
Singapore:									
Arrival—slowing down to receive pilot									
Departure—as note									
Manila									
Hongkong									
Shanghai, passing Fairway bell buoy, &c., &c.									

NOTE.—Times of arrival to count from time of dropping anchor to receive visit of medical inspector for quarantine purposes, and times of departure to count from the time of the order being given for the engines "Full speed ahead," except where otherwise specified.

Please enter hours as from 0 to 24 consecutively, and not a. m. and p. m., thus 10.50 p. m. will be entered 22-50.

191 Westward Pool No.

The eastern Asiatic ports and the Atlantic ports of U. S. A. conference pool.

S. S. ———, ——— owners.

Particulars of receipts and payments by the owners on account of the pool.

[Certified bale space available for cargo, ... cu. ft. Certified dead-weight capacity, ... tons.]

Net freight as per account attached.....
Less deferred rebates.....
Disbursements as per a/cs. attached, viz.....
Time { In port..... } Days.....
{ Steaming.... }
Steaming allowance.....
Tons for ..... units at 16d. per unit.....
Initial hire.....
Tons for ..... days at 60d. per ton per day.....
Surplus to pool.....

192 Westward Pool No.

S. S. ———

The eastward Asiatic ports and Atlantic ports of the U. S. A. conference pool.

PARTICULARS OF TIME.

Ports.	Time in port.					Steaming distances, knots.
	Begins.		Ends.		Equals.	
	Date.	Time.	Date.	Time.	Ds. Hs. Ms.	
Yokohama.....						
Kobe.....						
Moji.....						
Nagasaki.....						
Shanghai.....						
Hongkong.....						
Manila.....						
Singapore.....						
Aden.....						
Suez.....						
Port Said.....						
.....						
.....						
Norfolk.....						
New York.....						
.....				Totals...		
.....						

Ds. Hs. Ms.

Time in port.....
..... knots at 240 per day.....

193 **Westward.**

Arrival and departure record of S. S. ——, voy. ——, pool No. ——.

Name of port.	Time and date of—						Time in port.		
	Arrival.			Departure.			Days.	Hrs.	Mins.
	Month.	Date.	Time.	Month.	Date.	Time.			
Yokohama									
Kobe									
Moji									
Nagasaki									
Shanghai, passing Fairway bell buoy									
Foochow									
Amoy									
Hongkong									
&c., &c.									

NOTE.—Times of arrival to count from time of dropping anchor to receive visit of medical inspector for quarantine purposes, and times of departure to count from the time of the order being given for the engines "Full speed ahead," except where otherwise specified.

Please enter hours as from 0 to 24 consecutively, and not a. m. and p. m; thus, 10-50 p. m. will be entered 22-50.

194 **United States District Court, Southern District of New York.**

THE UNITED STATES OF AMERICA, PETITIONER,
against
AMERICAN-ASIATIC STEAMSHIP COMPANY AND OTHERS, defendants. } In Equity.

The joint and several answers of the American-Asiatic Steamship Company, William Barclay Parsons, and Robert H. Blake to the petition of the United States of America herein:

These defendants, for answer to said petition, or to so much thereof as they are advised it is material or necessary for them to make answer to, allege:

I.

As to the description of the defendants and the steamship lines conducted by them.

1. These defendants admit the allegations contained in subdivisions (a), (b), and (d) of paragraph 1 of Article I of the petition.

2. They deny that the defendant McMurtrie is now a resident of the city of New York. They admit that he was formerly the secretary of the defendant The American-Asiatic Steamship Company, and was at one time in charge of its principal place of busi-

195 ness, at 10–12 Broadway, New York City, but they say that in February, 1912, he left the employ of said company and gave up his residence in the United States and moved to China, where he now is, as these defendants are informed.

3. They deny that Shewan, Tomes & Company is a corporation, and allege that it is a copartnership, all of whose members reside and

are outside of the United States; and they further allege that said firm of Shewan, Tomes & Company are general agents of the defendant American-Asiatic Steamship Company.

4. They admit, on information and belief, that the Anglo-American Oil Company, which has an office in London, has maintained a line of steamships between New York and ports in the East, and that George W. Pitou was at one time the New York agent of said line.

They are not sufficiently informed as to the other allegations contained in subdivisions (a) and (b) of paragraph 2 of Article I of the petition to make answer thereto.

5. On information and belief, they admit the allegations contained in subdivisions (a), (b), and (f) of paragraph 3 of Article I of the petition.

They are not sufficiently informed to make answer to subdivisions (c) and (d) of said paragraph 3.

They admit that the firm of Funch, Edye & Co., of New York City, have acted as agents and general managers of the United States and China and Japan Line, and that William Volckens is a resident of Hamburg.

They are not sufficiently informed to make answer to the other allegations contained in subdivision (e) of said paragraph 3.

196 6. They admit that from 1903 a line of steamships, known as American Oriental Line, has been maintained as a carrier of freight between New York and the Far East, and that Howard Houlder and Partners (Inc.), until January 1, 1912, acted as manager of said line in New York. They admit, on information and belief, that William Boyd and Robert A. Sewell are residents of New York City and have been connected in some way with Howard Houlder and Partners (Inc.), but they are not sufficiently informed as to the other matters alleged in paragraph 4 of Article I of the petition to make answer thereto.

7. They admit that the Barber Line has been engaged in traffic between New York and the Far East, and that Barber & Co. (Inc.) has been the New York agent of said line, and that Dodwell & Co. (Ltd.) has been the loading agent of said line in Hongkong. Further, they admit that Barber & Co. (Inc.) have an office in New York City, and that Messrs. Herbert Barber, James Barber, and A. L. Hautman have been connected officially with said line.

As to the other allegations of paragraph 5 of Article I of the petition, they are not sufficiently informed to make answer thereto.

8. On information and belief, they admit that Bucknall Steamship Lines (Limited) is a British corporation, with an office in London, and that it has for several years maintained a line of steamships known as American-Manchurian Line between New York and the Far East, and that Messrs. Skeffington S. Norton, Joseph T. Lilly, and Edward N. Norton, composing the firm of Norton & Son, have acted as agents of said line in New York.

As to the other allegations of paragraph 6 of Article I of the petition, they are not sufficiently informed to make answer thereto.

197 9. They admit, on information and belief, that the Isthmian Steamship Company is a British corporation, with an office in London.

And on information and belief, they deny the other allegations of paragraph 7 of Article I of the petition.

II.

Denial of combination and conspiracy.

10. They admit that the defendants herein, or some of them, are engaged in the foreign trade and commerce of the United States, and are particularly engaged as carriers of freight for hire between ports on the eastern coast of the United States and ports in the Philippine Islands, in China and Japan, and in other countries in the Far East. They deny that in respect to said trade and commerce the defendants are or ever have been violating the provisions of the act of Congress passed July 2, 1890, entitled "An act to protect trade and commerce against unlawful restraints and monopolies," in the respects mentioned in Article II of the petition or in any respect whatsoever. They deny that they have any knowledge or information sufficient to form a belief as to the purpose or object of this proceeding, except so far as it may appear from the allegations of the petition itself. And they deny each and every other allegation contained in Article II of the petition.

III.

As to the description of the trade and commerce in which defendants are engaged.

11. They deny that the freight routes between the United

198 States and points in the Far East are correctly described in Article III of the petition, but, on the contrary, they say that in addition to the routes therein described there is a route from Atlantic coast ports round the Cape of Good Hope, and there is a route from Atlantic coast ports to Galveston, Texas, thence by rail to the Pacific Ocean and the Far East. Moreover, heavy shipments are made from the United States to the Far East by way of Europe, the goods being carried by trans-Atlantic steamships to European ports, and there transshipped on steamships which pass through the Mediterranean and the Suez Canal.

They deny that since 1903 the only steamship lines engaged in the traffic from the Atlantic coast of the United States to the Far East have been operated by the defendants, but, on the contrary, they say that a large proportion of the freight shipped from the Atlantic coast of the United States to the Far East has been carried in vessels

owned and operated by persons other than the defendants. They admit that each of the defendant lines engaged in said traffic has at all times maintained regular sailings between the port of New York and various Far Eastern ports. They deny that during said period no other port except New York on the Atlantic coast of the United States has been reached regularly by any lines, and they admit that so far as they are aware no through rates are made with railroads running to New York, and that the rates charged by each of the defendant steamship lines are all-water rates between New York and Far Eastern ports.

IV.

Denial of alleged manner and means of accomplishing unlawful combination and conspiracy.

As to eastward agreement.

12. They deny that in furtherance of any combination or
199 conspiracy, or as a part thereof, the defendants mentioned in subdivision 1 of Article IV of the petition entered into the agreement annexed to the petition and marked Exhibit 1, or any agreement whatsoever, but they admit that on or about April 13, 1905, the defendants mentioned in paragraph 1 of Article IV of the petition executed at London a written agreement, whereof Exhibit 1 annexed to the petition purports to be a copy. They admit that said agreement was put into effect by the paries thereto, and except as modified has been kept in effect by them to the time of the filing of this petition. For the terms of said eastern agreement they beg leave to refer to the original thereof.

As to westward agreement.

13. They deny each and every allegation contained in subdivision 2 of Article IV of the petition.

As to pooling agreement.

14. These defendants deny each and every allegation contained in subdivision 3 of Article IV of the petition, except that they admit that a so-called pooling agreement was executed and put into effect except as modified.

As to pooling rules.

15. They admit that the pooling agreement above mentioned was modified from time to time, and that on January 1, 1907, a general revision of its terms was made and published in the form of a pamphlet, entitled Pooling Rules, and that Exhibit 4 annexed to the petition purports to be a copy of said pamphlet.

V.

As to acts done in furtherance of agreement.

As to conferences.

16. They deny that in furtherance of any combination or
200 conspiracy whatsoever meetings or conferences of the defendants have been maintained, but they admit that in pursuance of the terms of the agreements hereinbefore mentioned there have been periodical meetings or conferences of certain of the defendants.

As to London conference.

17. They admit that from 1903 to the time of the filing of this petition certain meetings or conferences were held in London under the name of the London conference by representatives of certain of the defendant steamship lines mentioned in folio 23 of the petition. They deny that in furtherance of any combination or conspiracy such conference has made, established, or revised schedules of sailings or performed any other acts which were in furtherance of a scheme of monopoly or tended to restrain trade and commerce or to bring about a monopoly of trade and commerce of any sort whatsoever.

As to New York conference.

18. They admit that from 1905 to the time of the filing of this petition certain meetings or conferences were held in the city of New York under the name of the New York conference by the representatives of certain of the lines named in folios 24 and 25 of the petition; that at these meetings the defendants represented have from time to time agreed upon and established rates of freight to be charged by the lines engaged in traffic from New York to the Far East, and they say that the rates of freight so established have at all times been moderate and reasonable and have been fixed in competition with other steamship lines not parties to the agreements mentioned in the petition. They deny that the defendants have made contracts with individual shippers under which preferential rates have been granted to such shippers or that they have established any preferential rate of freight.

201 As to Hongkong and Singapore conferences.

19. They admit that from 1905 to the time of the filing of this petition certain meetings or conferences known as the Hongkong and Singapore conferences, respectively, were held in the cities of Hongkong and Singapore, composed of representatives of certain of the lines mentioned in the petition; that the Hongkong conference established the rates of freight to be charged by the various lines engaged in traffic from points east of Singapore to the port of New York, and the Singapore conference established the rates to be

charged from the ports of Singapore and Penang to New York, but they deny that said conferences established such rates in furtherance of any general scheme of conspiracy or monopoly whatsoever. They admit that the conferences at Hongkong and Singapore were maintained in accordance with the provisions of a westward agreement, but they deny that they were maintained in furtherance of any scheme of conspiracy or monopoly whatsoever.

Further answering, these defendants admit that the resolutions, acts, and determinations of the respective conferences have been acted upon by the defendants who were represented therein as binding upon them respectively.

Further answering, these defendants deny, upon information and belief, every other allegation contained in Article V of the petition.

VI.

As to the position of the American-Manchurian Line.

20. These defendants admit that in the year 1907 the American-Manchurian Line was established as an independent line by defendant Bucknall Steamship Lines (Ltd.), and that said line was a
202 competition of the lines which were parties to certain of the written agreements mentioned in the petition, and that from January 1, 1908, and for some time thereafter the American-Manchurian Line was represented at the meetings of the New York conference by Messrs. Norton & Son.

Further answering, these defendants say that they have no knowledge as to the other allegations of Article VI of the petition.

VII.

As to the position of the Isthmian Line.

21. On information and belief they admit that the Isthmian Steamship Company (Ltd.) is a British corporation, and they deny the other allegations of Article VII of the petition.

VIII.

As to deferred rebates.

22. They deny the allegations contained in Article VIII of the petition.

IX.

23. They deny each and every allegation contained in Article IX of the petition.

And they say that a large proportion of the shipments from the United States to the Far East are made on steamships not owned or controlled by the defendants; that large quantities of case oil are shipped by vessels not owned or controlled by the defendants; that many steamships in which the defendants have no interest carry large cargoes of steel products to the Far East; that shipments of

phosphate and cotton to Japan are made by steamships not owned or controlled by the defendants; that the rates of freight charged by the defendant lines are fixed in competition not only with trans-
203 Atlantic steamships which transship cargoes in the United Kingdom or the Continent of Europe to other vessels for transportation to the Far East, but also in competition with the transcontinental railways of the United States and steamships plying in the Pacific Ocean.

Further, these defendants say that they have never attempted to monopolize the traffic between the United States and the Far East, or any part thereof, and that such a monopoly is utterly unattainable.

Further answering, these defendants say that regular sailings, steady rates, and the ability to interchange contracts are of the greatest value to the merchants and manufacturers of the United States, and tend to develop and increase trade between the United States and the Far East.

Further answering, these defendants say that all the agreements to which they were parties are valid under the law of the place where they were made, as well as under the laws of the United States, and that all the acts done by these defendants are valid and lawful, and not in violation of any statute or law of the United States.

24. And these defendants now, having fully answered the petition herein, deny all and all manner of unlawful contract, combination, conspiracy, monopolizing or attempt to monopolize, wherewith they are charged by said petition; without this that if there is any other matter, cause, or thing in the petition contained material or necessary for these defendants to make answer to and not herein or hereby well and sufficiently answered, confessed, traversed, and avoided or denied, the same is not true to the knowledge or belief of these defendants or to any of them; all of which matters and things these defendants are ready and willing to aver, maintain, and prove, as this honorable court shall direct, and humbly
204 pray to be hence dismissed with their reasonable costs in this behalf most wrongfully sustained.

AMERICAN-ASIATIC STEAMSHIP COMPANY,
By R. H. BLAKE, *Secretary.*

WILLIAM BARCLAY PARSONS,
By BURLINGHAM, MONTGOMERY & BEECHER,
His Solicitors.

ROBERT H. BLAKE,
BURLINGHAM, MONTGOMERY & BEECHER,
Solicitors for said Defendants.

CHARLES C. BURLINGHAM,
NORMAN B. BEECHER,
Of Counsel.

Filed Nov. 19, 1912.

205 United States District Court for the Southern District of New York.

THE UNITED STATES OF AMERICA, PETITIONER,
against
AMERICAN-ASIATIC STEAMSHIP COMPANY AND OTHERS, defendants. } In Equity.

Hamburg-Amerikanische Packetfahrt Actien-Gesellschaft now and at all times hereafter reserving all benefit of exception or otherwise that may be taken to the errors, uncertainties and imperfections in the petition therein, and to some or all of the subject matter set forth herein, for answer to said petition, or to so much thereof as this defendant is advised that it is material or necessary that it should answer, respectfully shows to this court as follows:

I.

As to the description of the defendants and the steamship lines conducted by them.

1. On information and belief this defendant admits the allegations contained in subdivisions (a), (b), and (d) of paragraph 1 of Article I of the petition.

206 It is not sufficiently informed to make answer to subdivisions (c) or (e) of said paragraph 1.

2. It admits on information and belief that the Anglo-American Oil Company, which has an office in London, has maintained a line of steamships between New York and ports in the East, and that George W. Pitou was at one time the New York agent of said line.

It is not sufficiently informed as to the other allegations contained in subdivision 2 of paragraph 2 of Article I of the petition to make answer thereto.

3. It admits the allegations contained in subdivisions (a), (b), (c), and (f) of paragraph 3 of Article I of the petition.

It denies each and every allegation contained in subdivision (d) of paragraph 3 of Article I of the petition.

It admits the allegations contained in subdivision (e) of paragraph 3 of Article I of the petition, except that it denies that all the present members of the firm of Funch, Edye & Co. have been members of said firm since 1903, and it denies that all such members except William Volckens are residents of the city, State, and southern district of New York.

4. It admits that from 1903 a line of steamships known as American Oriental Line has been maintained as a carrier of freight between New York and the Far East, and that Howard Houlder and Partners (Inc.) until January 1, 1912, acted as manager of said line in New York. It admits, on information and belief, that William Boyd and Robert A. Sewell are residents of New York City and have been connected in some way with Howard Houlder and Partners

207 (Inc.), but it is not sufficiently informed as to the other matters

alleged in paragraph 4 of Article I of the petition to make answer thereto.

5. It admits that the Barber Line has been engaged in traffic between New York and the Far East, and that Barber & Co. (Inc.), has been the New York agent of said line, and that Dodwell & Co. (Ltd.), has been the loading agent of said line in Hongkong. Further it admits that Barber & Co. (Inc.), has an office in New York City, and that Messrs. Herbert Barber, James Barber, and A. L. Hautman have been connected officially with said line.

As to the other allegations of paragraph 5 of Article I of the petition it is not sufficiently informed to make answer thereto.

6. On information and belief, it admits that Bucknall Steamship Lines (Limited), is a British corporation, with an office in London, and that it has for several years maintained a line of steamships known as American Manchurian Line between New York and the Far East, and that Messrs. Skeffington S. Norton, Joseph T. Lilly, and Edward N. Norton, composing the firm of Norton & Son, have acted as the agents of said line in New York.

As to the other allegations of paragraph 6 of Article I of the petition it is not sufficiently informed to make answer thereto.

7. It admits, on information and belief, that the Isthmian Steamship Company is a British corporation with an office in London.

And on information and belief it denies the other allegations of paragraph 7 of Article I of the petition.

208 II.

Denial of combination and conspiracy.

8. It admits that the defendants herein, or some of them, are engaged in the foreign trade and commerce of the United States, and are particularly engaged as carriers of freight for hire between ports on the eastern coast of the United States and ports in the Philippine Islands, in China and Japan, and in other countries in the Far East. It denies that in respect to said trade and commerce the defendants are or ever have been violating the provisions of the act of Congress passed July 2, 1890, entitled "An act to protect trade and commerce against unlawful restraints and monopolies" in the respects mentioned in Article II of the petition or in any respects whatsoever. It denies that it has any knowledge or information sufficient to form a belief as to the purpose or object of this proceeding except so far as appears in the petition itself. And it denies each and every other allegation contained in Article II of the petition.

III.

As to the description of the trade and commerce in which defendants are engaged.

9. It denies that the freight routes between the United States and places in the Far East are correctly described in Article III of the

petition, but on the contrary it says that in addition to the routes therein described there is a route from Atlantic coast ports round the Cape of Good Hope, and there is a route from Atlantic coast ports to Galveston, Texas, thence by rail to the Pacific coast, and
209 thence across the Pacific Ocean to the Far East. Shipments are also made from the United States to the Far East by way of Europe, the goods being carried by trans-Atlantic steamships to European ports and there transshipped on steamships which pass through the Mediterranean and the Suez Canal.

10. It denies that since 1903 the only steamship lines engaged in the traffic from the Atlantic coast of the United States to the Far East have been operated by the defendants, but on the contrary it says that a large proportion of the freight shipped from the Atlantic coast of the United States to the Far East has been carried in vessels owned and operated by persons other than the defendants. It admits that each of the defendant lines engaged in said traffic has at all times maintained regular sailings between the port of New York and various far eastern ports. It denies that during said period no other port except New York on the Atlantic coast of the United States has been reached regularly by any line, and it admits that so far as it is aware no through rates are made with railroads running to New York, and that the rates charged by each of the defendant steamship lines are all-water rates between New York and far eastern ports.

IV.

Denial of allegations as to manner and means of accomplishing an unlawful combination and conspiracy.

As to eastward agreement.

11. It denies that in furtherance of any combination or conspiracy, or as a part thereof, the defendants mentioned in subdivision 1 of Article IV of the petition entered into the agreement annexed to the petition and marked "Exhibit 1" or any agreement what-
210 soever, but it admits that on or about April 13, 1905, the defendants, whose names appear on page 30 of the petition, executed at London a written agreement, whereof Exhibit 1 annexed to the petition purports to be a copy. It admits that said agreement was put into effect by the parties thereto and, except as modified, has been kept in effect by them to the time of the filing of this petition. For the terms of said eastern agreement it begs leave to refer to the original thereof.

As to westward agreement.

12. It denies each and every allegation contained in subdivision 2 of Article IV of the petition.

As to pooling agreement.

13. This defendant denies each and every allegation contained in subdivision 3 of Article IV of the petition, except that it admits that a so-called pooling agreement was executed and put into effect, except as modified.

As to pooling rules.

14. It admits that the pooling agreement above mentioned was modified from time to time and that on January 1, 1907, a general revision of its terms was made and published in the form of a pamphlet entitled "Pooling Rules," and that Exhibit 4 annexed to the petition purports to be a copy of said pamphlet.

V.

As to acts done in furtherance of agreements.

As to conferences.

15. It denies that in furtherance of any combination or con-
211 spiracy whatsoever meetings or conference of the defendants have been maintained, but it admits that in pursuance of the terms of the agrements hereinbefore mentioned there have been periodical meetings or conferences of certain of the defendants.

As to London conference.

16. It admits that from 1903 to the time of the filing of this petition certain meetings or conferences were held in London, under the name of the London conference, by representatives of certain of the defendant steamship lines mentioned in folio 23 of the petition. It denies that in furtherance of any combination or conspiracy such conference has made, established, or revised schedules of sailings, or performed any other acts which were in furtherance of a scheme of monopoly or tended to restrain trade and commerce or to bring about a monopoly of trade and commerce of any sort whatsoever.

As to New York conference.

17. It admits that from 1905 to the time of the filing of this petition certain meetings or conferences were held in the city of New York under the name of the New York conference by the representatives of certain of the lines named in folios 24 and 25 of the petition. It admits that at these meetings the defendants represented have from time to time agreed upon and have established rates of freight to be charged by the lines engaged in traffic from New York to the Far East, and it says that the rates of freight so established have at

all times been moderate and reasonable and have been fixed in competition with other steamship lines not parties to the agreements mentioned in the petition. It denies that the defendants have made contracts with individual shippers under which preferential rates have been granted to such shippers.

212 As to the Hongkong and Singapore conferences:

18. It admits that from 1905 to the time of the filing of this petition certain meetings or conferences known as the Hongkong and Singapore conferences, respectively, were held in the cities of Hongkong and Singapore, composed of representatives of certain of the lines mentioned in the petition; that the Hongkong conference established the rates of freight to be charged by the various lines engaged in traffic from points east of Singapore to the port of New York, and the Singapore conference established the rates to be charged from the ports of Singapore and Penang to New York, but it denies that said conferences established such rates in furtherance of any scheme of conspiracy or monopoly whatsoever. It admits that the conferences at Hongkong and Singapore were maintained in accordance with the provisions of a westward agreement, but it denies that they were maintained in furtherance of any scheme of conspiracy or monopoly whatsoever.

Further answering, this defendant admits that the resolutions, acts and determinations of the respective conferences have been acted upon by the defendants who were represented therein as binding upon them respectively.

Further answering, this defendant denies upon information and belief every other allegation contained in Article V of the petition.

VI.

As to the position of American-Manchurian Line.

19. This defendant admits that in the year 1907 the American-Manchurian Line was established as an independent line by
213 defendant Buchnall Steamship Lines (Ltd.), and that said line was a competitor of the lines who were parties to certain of the written agreements mentioned in the petition, and that from January 1, 1908, and for some time thereafter the American-Manchurian Line was represented at the meetings of the New York conference by Messrs. Norton & Son.

Further answering, this defendant says that it has no knowledge as to the other allegations of Article VI of the petition.

VII.

As to the position of Isthmian Line.

20. On information and belief, it admits that the Isthmian Steamship Company (Ltd.) is a British corporation, and it denies the other allegations contained in Article VII of the petition.

VIII.

As to deferred rebates.

21. It denies the allegations contained in Article VIII of the petition.

IX.

22. It denies each and every allegation contained in Article IX of the petition.

And it says that a large proportion of the shipments from the United States to the Far East are made on steamships not owned or controlled by the defendants; that large shipments of case oil are made on vessels neither owned nor controlled by the defendants; that many steamships in which the defendants have no interest carry large cargoes of steel products to the Far East; that
214 shipments of phosphate and cotton to Japan are made by steamships not owned or controlled by the defendants; that the rates of freight charged by the defendant lines are fixed not only in competition with transatlantic steamships, which transship cargoes in the United Kingdom or the Continent of Europe to other vessels for transportation to the Far East, but also in competition with the transcontinental railways of the United States and with steamships plying in the Pacific Ocean.

Further, this defendant says that it has never attempted to monopolize the traffic between the United States and the Far East, or any part thereof, and that such a monopoly is utterly unattainable.

Further answering, this defendant says that regular sailings, steady rates, and the ability to interchange contracts are of the greatest value to the merchants and manufacturers of the United States and tend to develop and increase trade between the United States and the Far East.

Further answering, this defendant says that all the agreements to which it was a party are valid under the law of the place where they were made, as well as under the laws of the United States, and that all the acts done by these defendants are valid and lawful, and not in violation of any statute or law of the United States.

23. And this defendant, now having fully answered the petition herein, denies all and all manner of unlawful contract, combination, conspiracy, monopolizing or attempt to monopolize, wherewith it is charged by said petition; without this, that if there is any other matter, cause, or thing in the petition contained material or necessary for this defendant to make answer to and not herein or hereby well and sufficiently answered, confessed, traversed, and avoided
215 or denied, the same is not true to the knowledge or belief of this defendant; all of which matters and things this defendant is ready and willing to aver, maintain, and prove as this honorable

court shall direct, and humbly prays to be hence dismissed with its reasonable costs in this behalf most wrongfully sustained.

HAMBURG-AMERIKANISCHE PACKETFAHRT ACTIEN-GESELLSCHAFT,

By W. G. SICKEL, *Vice Director.*

BURLINGHAM, MONTGOMERY & BEECHER,
Solicitors for said Defendant.

JOHN C. SPOONER,
CHARLES C. BURLINGHAM,
NORMAN B. BEECHER,
Of Counsel.

Filed Nov. 19, 1912.

216 United States District Court for the Southern District of New York.

THE UNITED STATES OF AMERICA, PETITIONER,
against
AMERICAN-ASIATIC STEAMSHIP COMPANY AND OTHERS, defendants. } In Equity.

Wilhelm Volckens, Paul Gottheil, William L. Walther, Thomas A. Sparks, Hans W. Volckens, and Robert H. Goodwin, now and at all times hereafter reserving all benefit of exception or otherwise that may be taken to the errors, uncertainties, and imperfections in the petition herein, and to some or all of the subject matter set forth therein, for answer to the petition of The United States of America herein, or to so much thereof as they are advised that it is material or necessary for them to make answer to, severally answering, allege as follows:

I.

As to the description of the defendants and the steamship lines conducted by them.

1. On information and belief these defendants admit the allegations contained in subdivisions (a), (b), and (d) of paragraph 1 of Article I of the petition.

They are not sufficiently informed to make answer to subdivisions (c) or (e) of said paragraph 1.

217 2. They admit, on information and belief, that the Anglo-American Oil Company, which has an office in London, has maintained a line of steamships between New York and ports in the east, and that George W. Pitou was at one time the New York agent of said line.

They are not sufficiently informed as to the other allegations contained in subdivision 2 of paragraph 2 of Article I of the petition to make answer thereto.

3. They admit the allegations contained in subdivisions (a), (b), (c), and (f) of paragraph 3 of Article I of the petition.

They deny each and every allegation contained in subdivision (d) of paragraph 3 of Article I of the petition.

They admit the allegations contained in subdivision (e) of paragraph 3 of Article I of the petition except that they deny that all the present members of the firm of Funch, Edye & Co. have been members of said firm since 1903, and they deny that all such members except William Volckens are residents of the city, State, and Southern District of New York.

4. They admit that from 1903 a line of steamships, known as American Oriental Line, has been maintained as a carrier of freight between New York and the Far East, and that Howard Houlder and Partners (Inc.), until January 1, 1912, acted as manager of said line in New York. They admit, on information and belief, that William Boyd and Robert A. Sewell are residents of New York City and have been connected in some way with Howard Houlder and Partners (Inc.), but they are not sufficiently informed as to the other matters alleged in paragraph 4 of Article I of the petition to make answer thereto.

5. They admit that the Barber Line has been engaged in
218 traffic between New York and the Far East, and that Barber & Co. (Inc.) has been the New York agent of said line and that Dodwell & Co. (Ltd.) has been the loading agent of said line in Hongkong. Further they admit that Barber & Co. (Inc.) has an office in New York City and that Messrs. Herbert Barber, James Barber, and A. L. Hautman have been connected officially with said line.

As to the other allegations of paragraph 5 of Article I of the petition they are not sufficiently informed to make answer thereto.

6. On information and belief, they admit that Bucknall Steamship Lines (Limited) is a British corporation, with an office in London, and that it has for several years maintained a line of steamships known as American-Manchurian Line between New York and the Far East, and that Messrs. Skeffington S. Norton, Joseph T. Lilly, and Edward N. Norton, composing the firm of Norton & Son, have acted as the agents of said line in New York.

As to the other allegations of paragraph 6 of Article I of the petition they are not sufficiently informed to make answer thereto.

7. They admit, on information and belief, that the Isthmian Steamship Company is a British corporation, with an office in London.

And on information and belief they deny the other allegations of paragraph 7 of Article I of the petition.

II.

Denial of combination and conspiracy.

8. They admit that the defendants herein, or some of them, are engaged in the foreign trade and commerce of the United
219 States and are particularly engaged as carriers of freight for hire between ports on the eastern coast of the United States and ports in the Philippine Islands, in China and Japan, and in other countries in the Far East. They deny that in respect to said

trade and commerce the defendants are, or ever have been, violating the provisions of the act of congress passed July 2, 1890, entitled "An act to protect trade and commerce against unlawful restraints and monopolies," in the respects mentioned in Article II of the petition or in any respect whatsoever. They deny that they have any knowledge or information sufficient to form a belief as to the purpose or object of this proceeding except so far as appears in the petition itself. And they deny each and every other allegation contained in Article II of the petition.

III.

As to the description of the trade and commerce in which defendants are engaged.

9. They deny that the freight routes between the United States and places in the Far East are correctly described in Article III of the petition, but on the contrary they say that in addition to the routes therein described there is a route from Atlantic coast ports around the Cape of Good Hope and there is a route from Atlantic coast ports to Galveston, Texas, thence by rail to the Pacific coast, and thence across the Pacific Ocean to the Far East. Shipments are also made from the United States to the Far East by way of Europe, the goods geing carried by trans-Atlantic steamships to the European ports and there trans-shipped on steamships which pass through the Mediterranean and the Suez Canal.

10. They deny that since 1903 the only steamship lines en-
220 gaged in the traffic from the Atlantic coast of the United States to the Far East have been operated by the defendants, but on the contrary they say that a large proportion of the freight shipped from the Atlantic coast of the United States to the Far East has been carried in vessels owned and operated by persons other than the defendants. They admit that each of the defendant lines engaged in said traffic has at all times maintained regular sailings between the port of New York and various Far Eastern ports. They deny that during said period no other port except New York on the Atlantic coast of the United States has been reached regularly by any line, and they admit that so far as they are aware no through rates are made with railroads running to New York, and that the rates charged by each of the defendant steamship lines are all-water rates between New York and Far Eastern ports.

IV.

Denial of allegations as to manner and means of accomplishing an unlawful combination and conspiracy.

As to eastward agreement.

11. They deny that in furtherance of any combination or conspiracy, or as a part thereof, the defendants mentioned in subdivision 1 of Article IV of the petition entered into the agreement annexed to

the petition and marked "Exhibit 1," or any agreement whatsoever, but they admit that on or about April 13, 1905, the defendants whose names appear on page 30 of the petition executed at London a written agreement, whereof Exhibit 1 annexed to the petition purports to be a copy. They admit that said agreement was put into effect by the parties thereto, and except as modified has been kept in effect
221 by them to the time of the filing of this petition. For the terms of said eastern agreement they beg leave to refer to the original thereof.

As to westward agreement.

12. They deny each and every allegation contained in subdivision 2 of Article IV of the petition, except that they admit, on information and belief, that on or about April 13, 1905, a westward agreement was executed and put into effect, and with modifications has remained in effect, but they say that Exhibit 2 attached to the petition is not a copy of such agreement.

As to pooling agreement.

13. These defendants deny each and every allegation contained in subdivision 3 of Article IV of the petition, except that they admit that a so-called pooling agreement was executed and put into effect, except as modified.

As to pooling rules.

14. They admit that the pooling agreement above mentioned was modified from time to time, and that on January 1, 1907, a general revision of its terms was made and published in the form of a pamphlet entitled "Pooling Rules," and that Exhibit 4 annexed to the petition purports to be a copy of said pamphlet.

V.

As to acts done in furtherance of agreements.

As to conferences.

15. They deny that in furtherance of any combination or
222 conspiracy whatsoever meetings or conferences of the defendants have been maintained, but they admit that in pursuance of the terms of the agreements hereinbefore mentioned there have been periodical meetings or conferences of certain of the defendants.

As to London conference.

16. They admit that from 1903 to the time of the filing of this petition certain meetings or conferences were held in London, under

the name of the London conference, by representatives of certain of the defendant steamship lines mentioned in folio 23 of the petition. They deny that in furtherance of any combination or conspiracy such conference has made, established, or revised schedules of sailings or performed any other acts which were in furtherance of a scheme of monopoly or tended to restrain trade and commerce or to bring about a monopoly of trade and commerce of any sort whatsoever.

As to New York conference.

17. They admit that from 1905 to the time of the filing of this petition certain meetings or conferences were held in the city of New York under the name of the New York conference by the representatives of certain of the lines named in folios 24 and 25 of the petition. They admit that at these meetings the defendants represented have from time to time agreed upon and established rates of freight to be charged by the lines engaged in traffic from New York to the Far East, and they say that the rates of freight so established have at all times been moderate and reasonable and have been fixed in competition with other steamship lines not parties to the agreements mentioned in the petition. They deny that the defendants have made contracts with individual shippers under which preferential rates have been granted to such shippers.

223 As to the Hongkong and Singapore conferences.

18. They admit that from 1905 to the time of the filing of this petition certain meetings or conferences known as the Hongkong and Singapore conferences, respectively, were held in the cities of Hongkong and Singapore composed of representatives of certain of the lines mentioned in the petition; that the Hongkong conference established the rates of freight to be charged by the various lines engaged in traffic from points east of Singapore to the port of New York, and the Singapore conference established the rates to be charged from the ports of Singapore and Penang to New York; but they deny that said conferences established such rates in furtherance of any general scheme of conspiracy or monopoly whatsoever. They admit that the conferences at Hongkong and Singapore were maintained in accordance with the provisions of a westward agreement, but they deny that they were maintained in furtherance of any scheme of conspiracy or monopoly whatsoever.

Further answering, these defendants admit that the resolutions, acts, and determinations of the respective conferences have been acted upon by the defendants who were represented therein as binding upon them, respectively.

Further answering, these defendants deny, upon information and belief, every other allegation contained in Article V of the petition.

VI.

As to the position of American-Manchurian Line.

19. These defendants admit that in the year 1907 the Ameri-
224 can-Manchurian Line was established as an independent line by defendant Bucknall Steamship Lines (Ltd.), and that said line was a competitor of the lines which were parties to certain of the agreements mentioned in the petition, and that from January 1, 1908, and for some time thereafter the American-Manchurian Line was represented at the meetings of the New York conference by Messrs. Norton & Son.

Further answering, these defendants say that they have no knowledge as to the other allegations of Article VI of the petition.

VII.

As to the position of Isthmian Line.

20. On information and belief they admit that the Isthmian Steamship Company (Ltd.) is a British corporation, and they deny the other allegations contained in Article VII of the petition.

VIII.

As to deferred rebates.

21. They deny the allegations contained in Article VIII of the petition.

IX.

22. They deny each and every allegation contained in Article IX of the petition.

And they say that a large proportion of the shipments from the United States to the Far East are made on steamships not owned
225 or controlled by the defendants; that enormous quantities of case oil are shipped by vessels not owned or controlled by the defendants; that many steamships in which the defendants have no interest carry large cargoes of steel products to the Far East; that shipments of phosphate and cotton to Japan are made by steamships not owned or controlled by the defendants; that the rates of freight charged by the defendant lines are fixed in competition not only with transatlantic steamships, which transship cargoes in the United Kingdom or the continent of Europe to other vessels for transportation to the Far East, but also in competition

with the transcontinental railways of the United States and steamships plying in the Pacific Ocean.

Further, the defendants say that they have never attempted to monopolize the traffic between the United States and the Far East or any part thereof and that such a monopoly is utterly unattainable.

Further answering, the defendants say that regular sailings, steady rates and the ability to interchange contracts, are of the greatest value to the merchants and manufacturers of the United States and tend to develop and increase trade between the United States and the Far East.

Further answering, these defendants say that all the agreements to which they were parties are valid under the law of the place where they were made, as well as under the laws of the United States, and that all the acts done by these defendants are valid and lawful, and not in violation of any statute or law of the United States.

23. And these defendants now, having fully answered the petition herein, deny all and all manner of unlawful contract, combination, conspiracy, monopolizing or attempt to monopolize, where-
226 with they are charged by said petition; without this, that if there is any other matter, cause, or thing in the petition contained material or necessary for these defendants to make answer to and not herein or hereby well and sufficiently answered, confessed, traversed and avoided or denied, the same is not true to the knowledge or belief of these defendants or to any of them; all of which matters and things these defendants are ready and willing to aver, maintain, and prove as this honorable court shall direct, and humbly pray to be hence dismissed with their reasonable costs in this behalf most wrongfully sustained.

WILHELM VOLCKENS,
By BURLINGHAM, MONTGOMERY & BEECHER,
His Solicitors.

PAUL GOTTHEIL,
W. L. WALTHER,
T. ASHLEY SPARKS,
HANS W. VOLCKENS,
By BURLINGHAM, MONTGOMERY & BEECHER,
His Solicitors.

ROBT. H. GOODWIN.
BURLINGHAM, MONTGOMERY & BEECHER,
Solicitors for above-named Defendants.

JOHN C. SPOONER,
CHARLES C. BURLINGHAM,
NORMAN B. BEECHER,
Of Counsel.

Filed Nov. 19, 1912.

227 District Court of the United States for the Southern District of New York.

THE UNITED STATES OF AMERICA, PETITIONER,
against
AMERICAN-ASIATIC STEAMSHIP COMPANY AND OTHERS, defendants.
} In Equity.

The joint and several answers of Howard Houlder & Partners (Ltd.), Houlder, Middleton & Company (Ltd.), William Boyd, and Robert A. Sewell to the petition of the United States of America herein:

These defendants, for answer to said petition, or to so much thereof as they are advised that it is material or necessary for them to make answer to, severally answering, allege:

I.

As to the description of the defendants and the steamship lines conducted by them.

1. On information and belief, these defendants admit the allegations contained in subdivisions (a), (b), and (d) of paragraph 1 of Article I of the petition.

They are not sufficiently informed to make answer to subdivisions (c) or (e) of said paragraph 1.

228 2. They admit, on information and belief, that the Anglo American Oil Company, which has an office in London, has maintained a line of steamships between New York and ports in the East, and that George W. Pitou was at one time the New York agent of said line. They are not sufficiently informed as to the other allegations contained in subdivision 2 of paragraph 2 of Article I of the petition to make answer thereto.

3. On information and belief, they admit the allegations contained in subdivisions (a), (b), and (f) of paragraph 3 of Article I of the petition.

They are not sufficiently informed to make answer to subdivisions (c) and (d) of said paragraph 3.

They admit that the firm of Funch, Edye & Co., of New York City, have acted as agents and general managers of the United States and China and Japan Line and that Wilhelm Volckens is a resident of Hamburg.

They are not sufficiently informed to make answer to the other allegations in subdivision (e) of said paragraph 3.

4. These defendants deny the allegations contained in subdivision (a) of paragraph 4 of Article I of the petition, except that they admit that the defendant Howard Houlder & Partners (Ltd.) and the defendant Houlder, Middelton & Co. (Ltd.), (mentioned in the petition as Houlder, Middleton & Company) are, and since 1903 have

been, corporations organized under the laws of the United Kingdom of Great Britain and Ireland, each with its principal office at London, England, and except that they admit that Andrew Weir & Company has its principal office at London, England.

These defendants deny the allegations contained in subdi-
229 visions (b) and (c) of paragraph 4 of Article I of the petition, except that they admit that the defendants Boyd and Sewell are residents of the city, State, and southern district of New York.

5. They admit that the Barber Line has been engaged in traffic between New York and the Far East, and that Barber & Co. (Inc.) has been the New York agent of said line, and that Dodwell & Co. (Ltd.) has been the loading agent of said line in Hongkong. Further they admit that Barber & Co. (Inc.) have an office in New York City, and that Messrs. Herbert Barber, James Barber, and A. L. Hautman have been connected officially with said line.

As to the other allegations of paragraph 5 of Article I of the petition they are not sufficiently informed to make answer thereto.

6. On information and belief they admit that Bucknall Steamship Lines (Limited) is a British corporation, with an office in London, and that it has for several years maintained a line of steamships known as American-Manchurian Line between New York and the Far East, and that Messrs. Skeffington S. Norton, Joseph T. Lilly, and Edward N. Norton, composing the firm of Norton & Son, have acted as the agents of said line in New York.

As to the other allegations of paragraph 6 of Article I of the petition they are not sufficiently informed to make answer thereto.

7. They admit, on information and belief, that the Isthmian Steamship Company is a British corporation with an office in London.

And on information and belief they deny the other allegations of paragraph 7 of Article I of the petition.

230 II.

Denial of combination and conspiracy.

8. They admit that the defendants herein, or some of them, are engaged in the foreign trade and commerce of the United States and are particularly engaged as carriers of freight for hire between ports on the eastern coast of the United States and ports in the Philippine Islands, in China and Japan, and in other countries in the Far East. They deny that in respect to said trade and commerce the defendants are or ever have been violating the provisions of the act of Congress passed July 2, 1890, entitled "An act to protect trade and commerce against unlawful restraints and monopolies" in the respects mentioned in Article II of the petition or in any respect whatsoever. They deny that they have any knowledge or information sufficient to form a belief as to the purpose or object of this proceeding, except so far as it may appear from the allegations of the petition itself. And they deny each and every other allegation contained in Article II of the petition.

III.

As to the description of the trade and commerce in which defendants are engaged.

9. They deny that the freight routes between the United States and points in the Far East are correctly described in Article III of the petition, but on the contrary they say that in addition to the routes therein described there is a route from Atlantic coast ports round the Cape of Good Hope, and there is a route from Atlantic coast ports to Galveston, Texas, thence by rail to the Pacific Ocean and the Far East. Moreover, heavy shipments are made from
231 the United States to the Far East by way of Europe, the goods being carried by transatlantic steamships to European ports and there transshipped on steamships which pass through the Mediterranean and the Suez Canal.

They deny that since 1903 the only steamship lines engaged in the traffic from the Atlantic coast of the United States to the Far East have been operated by the defendants, but, on the contrary, they say that a large proportion of the freight shipped from the Atlantic coast of the United States to the Far East has been carried in vessels owned and operated by persons other than the defendants. They admit that each of the defendant lines engaged in said traffic has at all times maintained regular sailings between the port of New York and various Far Eastern ports. They deny that during said period no other port except New York on the Atlantic coast of the United States has been reached regularly by any lines, and they admit that so far as they are aware no through rates are made with railroads running to New York, and that the rates charged by each of the defendant steamship lines are all-water rates between New York and Far Eastern ports.

IV.

Denial of alleged manner and means of accomplishing unlawful combination and conspiracy.

As to eastward agreement.

10. They deny that in furtherance of any combination or conspiracy, or as a part thereof, the defendants mentioned in subdivision 1 of Article IV of the petition entered into the agreement annexed to the petition and marked Exhibit 1, or any agreement whatsoever, but they admit that on or about April 13, 1905, the defend-
232 ants mentioned in paragraph 1 of Article IV of the petition executed at London, a written agreement, whereof Exhibit 1 annexed to the petition purports to be a copy. They admit that said agreement was put into effect by the parties thereto, and except as

modified has been kept in effect by them to the time of the filing of this petition. For the terms of said eastern agreement they beg leave to refer to the original thereof.

As to westward agreement.

11. They deny each and every allegation contained in subdivision 2 of Article IV of the petition.

As to pooling agreement.

12. These defendants deny each and every allegation contained in subdivision 3 of Article IV of the petition, except that they admit that a so-called pooling agreement was executed and put into effect except as modified.

As to pooling rules.

13. They admit that the pooling agreement above mentioned was modified from time to time, and that on January 1, 1907, a general revision of its terms was made and published in the form of a pamphlet entitled Pooling Rules, and that Exhibit 4 annexed to the petition purports to be a copy of said pamphlet.

V.

Acts done in furtherance of agreement.

As to conferences.

14. They deny that in furtherance of any combination or conspiracy whatsoever meetings or conferences of the defend-
233 ants have been maintained, but they admit that in pursuance of the terms of the agreements hereinbefore mentioned there have been periodical meetings or conferences of certain of the defendants.

As to London conference.

15. They admit that from 1903 to the time of the filing of this petition certain meetings or conferences were held in London under the name of the London conference by representatives of certain of the defendant steamship lines mentioned in folio 23 of the petition. They deny that in furtherance of any combination or conspiracy such conference has made, established, or revised schedules of sailings or performed any other acts which were in furtherance of a scheme of monopoly or tended to restrain trade and commerce or to bring about a monopoly of trade and commerce of any sort whatsoever.

As to New York conference.

16. They admit that from 1905 to the time of the filing of this petition certain meetings or conferences were held in the city of New York under the name of the New York conference by the representatives of certain of the lines named in folios 24 and 25 of the petition; that at these meetings the defendants represented have from time to time agreed upon and established rates of freight to be charged by the lines engaged in traffic from New York to the Far East, and they say that the rates of freight so established have at all times been moderate and reasonable and have been fixed in competition with other steamship lines not parties to the agreements mentioned in the petition. They deny that the defendants have made contracts with individual shippers under which preferential rates have been granted to such shippers, or that they have established any preferential rate of freight.

234 As to Hongkong and Singapore conferences.

17. They admit that from 1905 to the time of the filing of this petition certain meetings or conferences known as the Hongkong and Singapore conferences, respectively, were held in the cities of Hongkong and Singapore, composed of representatives of certain of the lines mentioned in the petition; that the Hongkong conference established the rates of freight to be charged by the various lines engaged in traffic from points east of Singapore to the port of New York, and the Singapore conference established the rates to be charged from the ports of Singapore and Penang to New York, but they deny that said conferences established such rates in furtherance of any general scheme of conspiracy or monopoly whatsoever. They admit that the conferences at Hongkong and Singapore were maintained in accordance with the provisions of a westward agreement, but they deny that they were maintained in furtherance of any scheme of conspiracy or monopoly whatsoever.

Further answering, these defendants admit that the resolutions, acts, and determinations of the respective conferences have been acted upon by the defendants who were represented therein as binding upon them respectively.

Further answering, these defendants deny, upon information and belief, every other allegation contained in Article V of the petition.

VI.

As to the position of American-Manchurian line.

18. The defendants admit that in the year 1907 the American-Manchurian line was established as an independent line by defendant Bucknall Steamship Line (Ltd.), and that said line was a
235 competitor of the lines which were parties to certain of the

written agreements mentioned in the petition, and that from January 1, 1908, and for some time thereafter, the American-Manchurian line was represented at the meetings of the New York conferences by Messrs. Norton & Son.

Further answering, these defendants say that they have no knowledge as to the other allegations of Article VI of the petition.

VII.

As to the position of the Isthmian Line.

19. On information and belief they admit that the Isthmian Steamship Company (Ltd.) is a British corporation, and they deny the other allegations of Article VII of the petition.

VIII.

As to deferred rebates.

20. They deny the allegations contained in Article VIII of the petition.

IX.

21. They deny each and every allegation contained in Article IX of the petition.

And they say that a large proportion of the shipments from the United States to the Far East are made on steamships not owned or controlled by the defendants; that large quantities of case oil are shipped by vessels not owned or controlled by the defendants; that many steamships in which the defendants have no interest carry large cargoes of steel products to the Far East; that shipments of phosphate and cotton to Japan are made by steamships not
236 owned or controlled by the defendants; that the rates of freight charged by the defendant lines are fixed in competition not only with trans-Atlantic steamships which transship cargoes in the United Kingdom or the Continent of Europe to other vessels for transportation to the Far East, but also in competition with the transcontinental railways of the United States and steamships plying in the Pacific Ocean.

Further, these defendants say that they have never attempted to monopolize the traffic between the United States and the Far East, or any part thereof, and that such a monopoly is utterly unattainable.

Further answering, these defendants say that regular sailings, steady rates, and the ability to interchange contracts are of the greatest value to the merchants and manufacturers of the United States and tend to develop and increase trade between the United States and the Far East.

Further answering, these defendants say that all the agreements to which they were parties are valid under the law of the place where

they were made, as well as under the laws of the United States, and that all the acts done by these defendants are valid and lawful, and not in violation of any statute or law of the United States.

22. And these defendants now, having fully answered the petition herein, deny all and all manner of unlawful contract, combination, conspiracy, monopolizing or attempt to monopolize, wherewith they are charged by said petition; without this that if there is any other matter, cause, or thing in the petition contained material or necessary for these defendants to make answer to and not herein or hereby well and sufficiently answered, confessed, traversed and avoided or denied, the same is not true to the knowledge or belief of these defendants or to any of them; all of which matters and things
237 these defendants are ready and willing to aver, maintain and prove as this honorable court shall direct, and humbly pray to be hence dismissed with their reasonable costs in this behalf most wrongfully sustained.

HOWARD HOULDER & PARTNERS (LTD.),
By HOULDER, WEIR & BOYD (INC.), *Agent*,
By WILLIAM BOYD, *President*.
HOULDER, MIDDLETON & CO. (LTD.),
By HOULDER, WEIR & BOYD (INC.), *Agent*,
By WILLIAM BOYD, *President*.
WILLIAM BOYD.
ROBERT A. SEWELL.
BURLINGHAM, MONTGOMERY & BEECHER,
Solicitors for said Defendants.

CHARLES C. BURLINGHAM,
NORMAN B. BEECHER,
Of Counsel.

Filed Nov. 19, 1912.

238 In the District Court of the United States for the Southern District of New York.

UNITED STATES OF AMERICA, PETITIONER, *against* AMERICAN-ASIATIC STEAMSHIP COMPANY et al., defendants.	In Equity.

The joint and several answer of the defendants, Barber & Company (Inc.), Herbert Barber, James Barber, and A. Houtman, to the petition of the United States of America, filed herein on March 30, 1912:

These defendants, answering unto so much and such parts of said petition as they are advised it is material and necessary for them to make answer unto, say:

1. Since 1903 Barber & Company (Inc.) has been a corporation organised under the laws of the State of New Jersey, having its principal office at Bowling Green Building, 11 Broadway, New York

City, until February 22, 1912, and since that date at 17 Battery Place, New York City. During the same period Lancashire Shipping Company (Ltd.) and Rankin Gilmour & Company were corporations organized under the laws of the Kingdom of Great Britain, having their principal offices at Liverpool, England, and Dodwell & Company was a corporation orzanized under the laws of Great Britain, and having its principal office at London, England, with
239 branch offices at Hongkong and Shanghai, China, and Yokohama, Japan.

From the year 1903 to the time of the filing of the petition herein, Lancashire Shipping Company (Ltd.) and Rankin Gilmour & Company have severally owned and operated various steam vessels, none of which have been vessels of the United States, some of which vessels have been engaged in the business of carrying freight between the port of New York and the Territory of the Philippines, the countries of China and Japan, and other countries in the Far East. During said period the eastward sailings of said vessels thus engaged were advertised under the name "Barber Line," and the westward sailings of said vessels thus engaged were advertised under the name "Dodwell Line." During said period Barber & Company (Inc.) has acted as loading broker and agent for sailings advertised under the name Barber Line, and Dodwell & Company has acted as a loading broker and agent for sailings advertised under the name Dodwell Line. During the same period Dodwell & Company has acted as agent in Hongkong for sailings advertised under the name Barber Line.

During said period Herbert Barber and James Barber were president and vice president, respectively, of Barber & Company (Inc.), and both were residents of New Jersey. A. Houtman, during the same period, was an employee of Barber & Company (Inc.), and is a resident of the city of New York.

These defendants deny each and every allegation made in regard to them or any of them and contained in Part I of the petition, excepting only those allegations which are hereinbefore expressly admitted.

2. Answering Part II of the petition, these defendants admit that some of the defendants are engaged in the foreign trade and commerce of the United States, but deny each and every other allegation set forth in Part II of the petition.

240 3. In answer to Part III of the petition, these defendants say:

There are the following routes by which freight is carried from points in the United States to points in the Far East:

(1) The route from the Pacific coast ports westward across the Pacific Ocean.

(2) The route from the Atlantic coast ports eastward across the Atlantic Ocean and thence to the Far East via the Suez Canal.

(3) The route from the Atlantic coast ports across the Atlantic Ocean to the Cape of Good Hope and thence to the Far East.

(4) The route from Atlantic coast ports to Galveston, Texas, thence by rail to the Pacific coast, and thence across the Pacific Ocean to the Far East.

(5) The route from the Atlantic coast ports across the Atlantic Ocean to European ports, and thence to the Far East via the Suez Canal.

From points in the interior of the United States freight destined to points in the Far East may be moved by rail either to the Pacific or Atlantic coast and thence over one of said routes to points of destination. During all of the time covered by the allegations of the petition herein, freight has been carried between the United States and points in the Far East over all of said routes. The movement of said freight over one or another of said routes is and, during the whole of said period, has been dependent upon the ordinary laws of competition and the individual preference of shippers.

And these defendants further say that upon the completion of the Panama Canal an additional route from Atlantic coast ports to points in the Far East will be established, and with the consequent development of trade competition for the carriage of freight over said route and the different routes above described, and between the
241 persons, firms, and corporations who shall then be engaged in carrying said freight, will be greatly enhanced. These defendants are informed and believe that the Panama Canal will be open to commerce on or about January 1st, 1915.

4. Answering Part IV of the petition, these defendants admit that Barber & Company (Inc.), on or about April 13, 1905, at London, England, executed a certain written agreement, and that Exhibit I, annexed to the petition, purports to be a copy of said agreement, but for greater certainty as to the provisions thereof, crave leave to refer to the original when the same shall be produced. These defendants further admit that said agreement has been modified by the parties thereto from time to time, and, so far as they are informed, has been observed by the parties thereto as modified from the time of its adoption to the time of the filing of the petition herein. These defendants deny that Barber & Company (Inc.), in becoming a party to said agreement, entered into or acted in furtherance of any unlawful combination or conspiracy or any conspiracy whatever, or that said agreement was or is unlawful. These defendants say that said agreement was and is lawful under the laws of England, where it was made, and that it does not and never did violate the laws of the United States.

These defendants deny that Barber & Company (Inc.) executed the agreement referred to in the petition as the "Westward agreement"; and further deny that any of the defendants herein, on or about April 13, 1905, executed the agreement of which Exhibit 2 is alleged to be a complete copy, excepting for the omission of the date of execution and the signatures attached. They deny that the agreement referred to as Exhibit 2 was put into effect on or about April 13, 1905.

These defendants admit that Barber & Company (Inc.), on or about April 13, 1905, at London, England, executed a certain written agreement and that Exhibit 3, annexed to the petition, pur-
242 ports to be a copy of said agreement, but for greater certainty as to the provisions thereof, crave leave to refer to the original when the same shall be produced. These defendants deny that Barber & Company (Inc.), in becoming a party to said agreement, entered into or acted in furtherance of any unlawful combination or conspiracy or any conspiracy whatever, or that said agreement was or is unlawful. These defendants say that said agreement was and is lawful under the laws of England, where it was made, and that it does not and never did violate the laws of the United States.

These defendants admit that the last-mentioned agreement has been modified from time to time, and that on January 1, 1907, a general revision of the terms of said agreement was made and published in the form of a pamphlet, entitled "Pooling Rules," and that Exhibit 4 annexed to the petition purports to be a copy of said pamphlet, but for greater certainty as to the provisions thereof crave leave to refer to the original when the same shall be produced.

These defendants deny each and every allegation contained in Part IV of the petition, excepting only those hereinbefore expressly admitted.

5. Answering Part V of the petition, these defendants say:

(a) As to the so-called London conference.

They admit that from 1903 to the time of the filing of the petition herein certain meetings or conferences were held in London, England, between representatives of the owners of certain vessels the sailings of which have been advertised under the names of the American Asiatic Line, United States and China-Japan Line, Anglo-American Oil Company, Barber Line, Dodwell's Line, and American & Oriental Line, and since January 1, 1906, the American Manchurian Line.

243 The resolutions, acts, and determinations adopted at said meetings have been acted upon by the owners of vessels represented at said meetings as binding upon them respectively.

(b) As to the so-called New York conference.

They admit that from 1905 to the time of the filing of the petition herein certain meetings and conferences were held at the city of New York between representatives of the owners of certain vessels the sailings of which have been advertised under the names of the American Asiatic Line, United States and China-Japan Line, American & Oriental Line, Barber Line, and from January 1, 1906, to December 12th, 1911, the American Manchurian Line. These meetings have been held weekly and the owners of vessels advertised as sailing

under the following lines have been represented by the following defendants at these meetings:

American Asiatic Line, represented by the defendants James H. T. McMurtry and R. H. Blake; United States and China-Japan Line, represented by the defendants R. H. Goodwin and Thomas H. Sparks; American & Oriental Line, represented by the defendants William Boyd and R. A. Sewell; Barber Line, represented by the defendants Herbert Barber, James Barber, and A. Houtman; and from January 1, 1906, to December 12, 1911, the American Manchurian Line, by the defendants Skeffington S. Norton, Joseph T. Lilly, and Edward M. Norton. At these meetings the above-named defendants have from time to time agreed upon rates of freight to be charged by the owners of vessels represented at said meetings, and have compiled and forwarded to defendant Thomas B. Royden at Liverpool, England, information as to the various times of arrival and departure of ships and other information for the purpose of enabling said Royden and others to make up the pool accounts described in the pooling agreement and pooling rules referred to in the complaint.

244 The resolutions, acts, and determinations adopted at said meetings have been acted upon by the owners of vessels represented at said meetings as binding upon them respectively.

(c) As to the so-called Hongkong and Singapore conferences.

These defendants admit that from 1905 to the time of the filing of this petition certain meetings between representatives of the owners of vessels, the sailings of which have been advertised under the names of the lines above mentioned, have been held at Singapore and Hongkong. That the Singapore conference during said period has from time to time determined the rates of freight to be charged from the ports of Singapore and Penang to New York by the owners of vessels represented at said meetings.

The resolutions, acts, and determinations adopted at said meetings have been acted upon by the owners of vessels represented at said meetings as binding upon them respectively.

(d) As to all of the allegations contained in Part V of the petition.

These defendants deny each and every allegation contained in Part V of the petition, excepting only those which are hereinbefore expressly admitted.

6. Answering Part VI of the petition, these defendants admit that from January 1, 1906, to December 12, 1911, the owners of vessels, the sailings of which have been advertised under the name of the American Manchurian Line, have been represented at each weekly meeting of the so-called New York conference by their agents, members of the firm of Norton & Sons, New York.

7. Answering Part VIII of the petition, these defendants deny, upon information and belief, each and every allegation contained therein.

245 8. Answering Part VIII of the petition, these defendants deny each and every allegation contained therein, except that they admit and allege that whatever system of deferred rebates had theretofore been maintained by the defendants or any of them in relation to eastward traffic was abolished on January 30, 1911.

9. Answering Part IX of the petition, these defendants deny each and every allegation contained therein.

10. Having thus made full answer to all matters contained in the petition, these defendants pray to be dismissed hence, with their costs in this behalf incurred.

SIMPSON, THACHER & BARTLETT,
Solicitors for the Defendants, Barber & Company (Inc.), Herbert Barber, James Barber, and A. Houtman.

(Office and post-office address, 62 Cedar Street, Borough of Manhattan, New York City.)

THOMAS THACHER,
THOMAS D. THACHER,
Counsel.

BARBER & COMPANY (INC.),
By HERBERT BARBER, *Prest.*

Attest:
E. J. BARBER, *Secretary.*

HERBERT BARBER.
JAMES BARBER.
A. HOUTMAN.

Filed Nov. 19, 1912.

246 In the District Court of the United States for the Southern District of New York.

THE UNITED STATES OF AMERICA, PETITIONER,
against
AMERICAN-ASIATIC STEAMSHIP COMPANY AND OTHERS, defendants. } In Equity.

The answer of the defendant Lancashire Shipping Company (Ltd.) to the petition of the United States of America, filed herein on March 30, 1912.

This defendant answering unto so much and such parts of said petition as it is advised it is material and necessary for it to make answer unto, says:

1. This defendant is and has been since 1903 a corporation organized under the laws of the Kingdom of Great Britain, having its principal office at Liverpool, England, and during said period has owned

and operated various steam vessels, some of which have from time to time been engaged in carrying freight between ports of New York and the Territory of the Philippines, the countries of China and Japan and other countries in the Far East. During said period
247 the eastward sailings of said vessels thus engaged were advertised under the name "Barber Line," and the westward sailings of said vessels thus engaged were advertised under the name "Dodwell Line." During said period Barber & Company (Inc.) acted as loading broker and agent for sailings advertised under the name "Barber Line," and Dodwell & Company acted as loading broker and agent for sailings advertised under the name "Dodwell Line." During the same period Dodwell & Company acted as agent in Hongkong for sailings advertised under the name "Barber Line."

This defendant denies each and every allegation made in regard to it and contained in Part I of said petition which is not hereinbefore expressly admitted.

2. Answering Part II of said petition the defendant admits that some of the defendants are engaged in the foreign trade and commerce of the United States, but denies each and every other allegation set forth in Part II of the petition.

3. Answering Part III of the petition this defendant says:

There are the following routes by which freight is carried from points in the United States to points in the Far East:

(1) The route from the Pacific coast ports westward across the Pacific Ocean.

(2) The route from the Atlantic coast ports eastward across the Atlantic Ocean and thence to the Far East via the Suez Canal.

(3) The route from the Atlantic coast ports across the Atlantic Ocean to the Cape of Good Hope and thence to the Far East.

(4) The route from Atlantic coast ports to Galveston, Texas, thence by rail to the Pacific coast and thence across the Pacific Ocean to the Far East.

248 (5) The route from the Atlantic coast ports across the Atlantic Ocean to European ports, and thence to the Far East via the Suez Canal.

From points in the interior of the United States freight destined to points in the Far East may be moved by rail either to the Pacific or Atlantic coast and thence over one of said routes to points of destination. During all of the time covered by the allegations of the petition herein freight has been carried between the United States and points in the Far East over all of said routes. The movement of said freight over one or another of said routes is, and during the whole of said period has been, dependent upon the ordinary laws of competition and the individual preference of shippers.

And this defendant further says that, upon the completion of the Panama Canal, an additional route from Atlantic coast ports to points in the Far East will be established, and with the consequent development of trade competition for the carriage of freight over

said route and the different routes above described and between the persons, firms, and corporations who shall then be engaged in carrying said freight will be greatly enhanced. These defendants are informed and believe that the Panama Canal will be open to commerce on or about January 1st, 1915.

4. Answering part IV of the petition, this defendant denies that it has cooperated with or assisted any of the defendants in the observance of the agreement referred to in the petition as the "eastward agreement," and further denies that it executed the agreement referred to in the petition as the "westward agreement" or cooperated or acted together with any of the defendants in the observance of the said agreement.

This defendant admits that on or about April 13th, 1905, at London, England, it executed a certain written agreement, and
249 that Exhibit 3 annexed to the petition purports to be a copy of said agreement, but, for greater certainly as to the provisions thereof, craves leave to refer to the original when the same shall be produced. This defendant denies that in becoming a party to said agreement it entered into or acted in furtherance of any unlawful combination or conspiracy or any conspiracy whatever, or that said agreement was or is unlawful. This defendant says that said agreement was and is lawful under the *the* laws of England, where it was made, and that it does not and never did violate the laws of the United States.

This defendant admits that said last-mentioned agreement has been modified from time to time, and that on or about January 1, 1907, a general revision of the terms of said agreement was made and publishing in the form of a pamphlet entitled "pooling rules," and that Exhibit 4 annexed to the petition purports to be a copy of said pamphlet, but, for greater certainty as to the provisions thereof, craves leave to refer to the original when the same shall be produced.

5. Answering Part V of the petition, this defendant says:

(a) As to the so-called London conference.

This defendant admits that from 1903 to the time of the filing of the petition herein certain meetings or conferences were held in London, England, between representatives of the owners of certain vessels, the sailings of which have been advertised under the names of the American Asiatic Line, United States and China-Japan Line, Anglo-American Oil Company, Barber Line, Dodwell Line, American & Oriental Line, and since January 1, 1906, the American-Manchurian Line.

The resolutions, acts, and determinations adopted at said meetings have been acted upon by the owners of vessels represented at said meetings as binding upon them, respectively.

250 (b) As to the so-called New York conference.

This defendant admits that from 1905 to the time of the filing of the petition herein, certain meetings of conferences were held at the city of New York between representatives of the owners of certain vessels, the sailings of which have been advertised under the names of the American Asiatic Line, United States and China-Japan Line, American & Oriental Line, and, from January 1, 1906, to December 12, 1911, the American-Manchurian Line.

These meetings have been held weekly and the owners of the vessels advertised as sailing under the following lines have been represented by the following defendants at said meetings:

American Asiatic Line, represented by the defendants James H. T. McMurtry and R. H. Blake; United States and China-Japan Line, represented by the defendants R. H. Goodwin and Thomas A. Sparks; American & Oriental Line, represented by the defendants William Boyd and R. A. Sewell; Barber Line, represented by the defendants Herbert Barber, James Barber, and A. H. Houtman; and from January 1, 1906, to December 12, 1911, the American-Manchurian Line by the defendants Skeffington S. Norton, Joseph T. Lilly and Edward M. Norton. At these meetings the above named defendants have from time to time agreed upon rates of freight to be charged by the owners of vessels represented at said meeting and have compiled and forwarded to defendant Thomas B. Royden at Liverpool, England, information as to the various times of arrival and departure of ships, and other information for the purpose of enabling said Royden and others to make up the pool accounts described in the pooling agreement and pooling rules referred to in the complaint.

The resolutions, acts and determinations adopted at said meetings have been acted upon by the owners of vessels represented at said meetings as binding upon them respectively.

251 (c) As to the so-called Hongkong and Singapore conferences.

This defendant admits that from 1905 to the time of the filing of this petition, certain meetings between representatives of the owners of vessels, the sailings of which have been advertised under the names of the lines above mentioned, have been held at Singapore and Hongkong. The Singapore conferences during said period have from time to time determined the rates of freight to be charged from the ports of Singapore and Penang to New York by the owners of vessels represented at said meetings.

The resolutions, acts and determinations adopted at said meetings have been acted upon by the owners of vessels represented at said meetings as binding upon them respectively.

(d) As to all the allegations contained in Part V of the petition.

The defendant denies each and every allegation contained in Part V of the petition excepting only those which are hereinbefore expressly admitted.

6. Answering Part VI of the petition this defendant admits that from January 1st, 1906, to December 12, 1911, the owners of vessels, the sailings of which have been advertised under the name of the American-Manchurian Line have been represented at each weekly meeting of the so-called New York conference by their agents, members of the firm of Norton & Sons, New York.

7. Answering Part VII of the petition, this defendant denies upon information and belief, each and every allegation contained therein.

8. Answering Part VIII of the petition, this defendant denies each and every allegation contained therein except that it admits and alleges that whatever system of deferred rebates had there-
252 tofore been maintained by the defendants or any of them in relation to eastward traffic, was abolished on January 30, 1911.

9. Answering Part IX of the petition, this defendant denies each and every allegation contained therein.

10. Having thus made full answer to all matters contained in the petition, this defendant prays to be dismissed hence, with its costs in this behalf incurred.

SIMPSON, THACHER & BARTLETT,
Solicitors for the Defendant Lancashire Shipping Company (Ltd.).
(Office and post office address, 62 Cedar Street, Borough of Manhattan, New York City.)

THOMAS THACHER,
THOMAS D. THACHER,
Of Counsel.
Filed Nov. 19, 1912.

253 In the District Court of the United States for the Southern District of New York.

THE UNITED STATES OF AMERICA, PETITIONER,
against
AMERICAN-ASIATIC STEAMSHIP COMPANY, AND OTHERS, defendants. } In equity.

The answer of the defendant Rankin, Gilmour & Company to the petition of the United States of America, filed herein on March 30, 1912.

This defendant, answering unto to so much and such parts of said petition as it is advised it is material and necessary for it to make answer unto, says:

1. This defendant is and has been since 1903 a corporation organized under the laws of the Kingdom of Great Britain, having its

principal office at Liverpool, England, and during said period has owned and operated various steam vessels, some of which have from time to time been engaged in carrying freight between the ports of New York and the territory of the Philippines, the countries
254 of China and Japan, and other countries in the Far East. During said period the eastward sailings of said vessels thus engaged were advertised under the name "Barber Line," and the westward sailings of said vessels thus engaged were advertised under the name "Dodwell Line." During said period Barber & Company (Inc.) acted as loading broker and agent for sailings advertised under the name "Barber Line," and Dodwell & Company acted as loading broker and agent for sailings advertised under the name "Dodwell Line." During the same period Dodwell & Company acted as agent in Hong Kong for sailings advertised under the name "Barber Line."

This defendant denies each and every allegation made in regard to it and contained in Part I of said petition which is not hereinbefore expressly admitted.

2. Answering Part II of said petition, this defendant admits that some of the defendants are engaged in the foreign trade and commerce of the United States, but denies each and every other allegation set forth in Part II of the petition.

3. Answering Part III of the petition, this defendant says:

There are the following routes by which freight is carried from points in the United States to points in the Far East.

(1) The route from the Pacific coast ports westward across the Pacific Ocean.

(2) The route from the Atlantic coast ports eastward across the Atlantic Ocean and thence to the Far East via the Suez Canal.

(3) The route from the Atlantic coast ports across the Atlantic Ocean to the Cape of Good Hope and thence to the Far East.

(4) The route from Atlantic coast ports to Galveston, Texas; thence by rail to the Pacific coast, and thence across the Pacific Ocean to the Far East.

255 (5) The route from the Atlantic coast ports across the Atlantic Ocean to European ports, and thence to the Far East via the Suez Canal.

From points in the interior of the United States freight destined to points in the Far East may be moved by rail either to the Pacific or Atlantic coast and thence over one of said routes to points of destination. During all of the time covered by the allegations of the petition herein freight has been carried between the United States and points in the Far East over all of said routes. The movement of said freight over one or another of said routes is and during the whole of said period has been dependent upon the ordinary laws of competition and the individual preference of shippers.

And this defendant further says that, upon the completion of the Panama Canal an additional route from Atlantic coast ports to points

in the Far East will be established, and with the consequent development of trade, competition for the carriage of freight over said route and the different routes above described and between the persons, firms, and corporations who shall then be engaged in carrying said freight, will be greatly enhanced. These defendants are informed and believe that the Panama Canal will be open to commerce on or about January 1st, 1915.

4. Answering Part IV of the petition, this defendant denies that it has cooperated with or assisted any of the defendants in the observance of the agreement referred to in the petition as the "eastward agreement," and further denies that it executed the agreement referred to in the petition as the "westward agreement," or cooperated or acted together with any of the defendants in the observance of said agreement.

This defendant admits that on or about April 13th, 1905, at London, England, it executed a certain written agreement, and
256 that Exhibit 3, annexed to the petition, purports to be a copy of said agreement, but for greater certainty as to the provisions thereof prays leave to refer to the original when the same shall be produced. This defendant denies that, in becoming a party to said agreement, it entered into or acted in furtherance of any unlawful combination or conspiracy or any conspiracy whatever, or that said agreement was or is unlawful. This defendant says that said agreement was and is lawful under the laws of England, where it was made, and that it does not and never did violate the laws of the United States.

This defendant admits that said last mentioned agreement has been modified from time to time, and that on or about January 1, 1907, a general revision of the terms of said agreement was made and published in the form of a pamphlet entitled "Pooling Rules," and that Exhibit 4 annexed to the petition purports to be a copy of said pamphlet, but for greater certainty as to the provisions thereof prays leave to refer to the original when the same shall be produced.

5. Answering Part V of the petition, this defendant says:

(a) As to the so-called London conference.

This defendant admits that from 1903 to the time of the filing of the petition herein certain meetings or conferences were held in London, England, between representatives of the owners of certain vessels, the sailings of which have been advertised under the names of the American Asiatic Line, United States and China-Japan Line, Anglo-American Oil Company, Barber Line, Dodwell Line, American and Oriental Line, and since January 1, 1906, the American Manchurian Line.

The resolutions, acts, and determinations adopted at said meetings have been acted upon by the owners of vessels represented at said meetings as binding upon them, respectively.

257 (b) As to the so-called New York conference.

This defendant admits that from 1905 to the time of the filing of the petition herein, certain meetings or conferences were held at the city of New York between representatives of the owners of certain vessels, the sailings of which have been advertised under the names of the American Asiatic Line, United States and China-Japan Line, American and Oriental Line, and from January 1, 1906, to December 12, 1911, the American Manchurian Line.

These meetings have been held weekly, and the owners of the vessels advertised as sailing under the following lines have been represented by the following defendants at said meetings:

American Asiatic Line, represented by the defendants James H. T. McMurtry and R. H. Blake; United States & China-Japan Line, represented by the defendants R. H. Goodwin and Thomas A. Sparks; American & Oriental Line, represented by the defendants William Boyd and R. A. Sewell; Barber Line, represented by the defendants Herbert Barber, James Barber, and A. Houtman; and from January 1, 1906, to December 12, 1911, the American Manchurian Line by the defendants Skeffington S. Norton, Joseph T. Lilly, and Edward M. Norton. At these meetings the above-named defendants have from time to time agreed upon rates of freight to be charged by the owners of vessels represented at said meetings and have compiled and forwarded to defendant Thomas B. Royden at Liverpool, England, information as to the various times of arrival and departures of ships and other information for the purpose of enabling said Royden and others to make up the pool accounts described in the pooling agreement and pooling rules referred to in the complaint.

The resolutions, acts and determinations adopted at said meetings have been acted upon by the owners of vessels represented at said meetings as binding upon them, respectively.

258 (c) As to the so-called Hongkong and Singapore conferences.

This defendant admits that from 1905 to the time of the filing of this petition, certain meetings between representatives of the owners of vessels, the sailings of which have been advertised under the names of the lines above mentioned, have been held at Singapore and Hongkong. The Singapore conferences during said period have from time to time determined the rates of freight to be charged from the ports of Singapore and Penang to New York by the owners of vessels represented at said meetings.

The resolutions, acts, and determinations adopted at said meetings have been acted upon by the owners of vessels represented at said meetings as binding upon them respectively.

(d) As to all the allegations contained in Part V of the petition.

This defendant denies each and every allegation contained in Part V of the petition excepting only those which are hereinbefore expressly admitted.

6. Answering Part VI of the petition, this defendant admits that from January 1, 1906, to December 12, 1911, the owners of vessels, the sailings of which have been advertised under the name of the American Manchurian Line have been represented at each weekly meeting of the so-called New York conference by their agents, members of the firm of Norton & Sons, New York.

7. Answering Part VII of the petition, this defendant denies upon information and belief each and every allegation contained therein.

8. Answering Part VIII of the petition, this defendant denies each and every allegation contained therein except that it admits and alleges that whatever system of deferred rebates had
259 theretofore been maintained by the defendants or any of them in relation to eastward traffic, was abolished on January 30, 1911.

9. Answering Part IX of the petition, this defendant denies each and every allegation contained therein.

10. Having thus made full answer to all matters contained in the petition, this defendant prays to be dismissed hence, with its costs in this behalf incurred.

SIMPSON, THACHER & BARTLETT,
Solicitors for the defendant Rankin, Gilmour & Company.
(Office and post office address, 62 Cedar Street, Borough of Manhattan, New York City.)

THOMAS THACHER,
THOMAS D. THACHER,
Counsel.
Filed Nov. 19, 1912.

260 In the District Court of the United States for the Southern District of New York.

THE UNITED STATES OF AMERICA, PETITIONER,
against
AMERICAN-ASIATIC STEAMSHIP COMPANY & OTHERS,
Dodwell & Company, Limited, impleaded.
} In Equity.

Answer of Dodwell & Co. (Ltd.).

Dodwell & Company (Limited), a corporation organized and existing under the laws of the Kingdom of Great Britain and Ireland, a citizen of said Kingdom, now and at all times hereafter, saving to itself all and all manner of benefit of exception, or otherwise, that can or may be taken to the many errors, uncertainties, and imperfections in the petition herein and to all or some of the subject matter thereof, for answer to said petition or to so much of it as this defendant is advised it is material and necessary for it to answer, respectfully shows to this court as follows:

I.

Description of the defendants and of steamship lines conducted by them.

This defendant admits that it is a corporation organized under the laws of the Kingdom of Great Britain and Ireland, having its principal office at London, England, and branch offices at Hongkong and Shanghai, China, and at Yokohama, Japan. It admits that at various times since 1904 it has acted as loading brokers at Hongkong and other ports in the Far East for steamships laden at such ports by the defendants Barber & Company, Incorporated, Lancashire Shipping Company, Limited, and Rankin, Gilmour & Company that were bound on voyages to the United States. It denies all the other allegations made with reference to this defendant in Article I of the petition. As to the other matters and things set forth in Article I of the petition, this defendant is not sufficiently informed to enable it to make answer thereto.

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II.

Combination and conspiracy.

This defendant denies the allegations contained in Article II of the petition.

III.

Description of the trade and commerce between the United States and the Far East.

This defendant admits that freight is carried from points in the United States to points in the Far East by way of the Pacific coast and across the Pacific Ocean, and from ports on the Atlantic coast eastward via the Suez Canal. It alleges, however, that there are other well-known channels of trade between the United States and the Far East. Among these are a route from Atlantic coast ports by way of the Cape of Good Hope to the Far East; a route from Atlantic coast ports to Galveston, Texas, thence by rail to the Pacific coast, and thence by steamers to the Far East; a route across the Atlantic from Atlantic ports to ports in Europe, and thence to ports in the Far East via Suez Canal.

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It denies the other allegations contained in Article III of the petition.

IV.

Denial of allegations as to the manner and means of accomplishing an unlawful combination and conspiracy.

It denies that on April 13, 1905, at London, England, it executed an agreement, a complete copy of which, except that it lacks the date

of execution and the signatures attached, is annexed to the petition and marked "Exhibit 2," and is referred to as the westward agreement. It denies that an agreement, a copy of which is alleged to be Exhibit 2 attached to the petition, was put into effect on April 13, 1905. It denies that it has been a party to or a participant in any pool in the westward trade from ports in the Far East to ports in the United States, as alleged, or that it is or has been, since 1905, a common carrier engaged in the transportation of cargoes upon freight from ports in the Far East to the port of New York, as charged in the petition. It alleges that throughout the period mentioned it has acted as loading agents in the Far East of steam-
263 ers engaged in the westward trade at the ports where it has branch offices, and that it has received no other emoluments or remuneration in connection with the said trade except its commissions for engaging freight and attending to the loading of steamers. As to the other matters alleged in Article IV of the petition, this defendant is not sufficiently informed to make answer and leaves the petitioner to its proof.

V.

Acts alleged to have been done in furtherance of agreements.

1. Conferences.

(a) This defendant is not informed and therefore can not answer the allegations with regard to the alleged eastward conferences. It admits that in connection with the westward trade certain meetings or conferences have been held from time to time by certain of the defendants or their representatives at London, Hongkong, and Singapore, but it denies that in furtherance of any combination or conspiracy such meetings or conferences have made, established, or revised schedules of sailings, or performed any other acts which were in furtherance of a scheme of monopoly or tended to restrain trade or commerce or to bring about a monopoly of such trade and commerce.

(b) This defendant is not sufficiently advised to be able to make answer to the allegations contained in paragraph b of subdivision 1 of Article V of the petition.

264 (c) Hongkong and Singapore conferences.

It admits that since 1908 certain meetings or conferences have been held at Hongkong and Singapore, respectively, composed of representatives of certain of the defendants mentioned in the petition, and that the Hongkong conferences established the rates of freight to be charged by the various lines engaged in traffic from ports east of Singapore to the port of New York, and the Singapore conference established rates of freight to be charged from the ports of Singapore and Penang to New York; but it denies that such con-

ferences established such rates in furtherance of any scheme of conspiracy or monopoly, or were maintained in furtherance of any such schemes. It admits that the decisions of such conferences have been acted on by the defendants represented therein as binding upon them respectively.

On information and belief it denies the remaining allegations contained in Article V of the petition.

VI.

Position of American-Manchurian Line.

On information and belief this defendant denies the allegations of Article VI of the petition.

VII.

This defendant is informed and believes that the Isthmian Steamship Company (Ltd.) is a British corporation. It has no knowledge or information sufficient to form a belief as to the other
265 allegations contained in Article VII of the petition.

VIII.

Deferred rebates.

On information and belief this defendant denies the allegations of Article VIII of the petition.

IX.

On information and belief this defendant denies the allegations of Article IX of the petition.

X.

This defendant further avers that all agreements relative to any part of the trade referred to in the petition, which it has signed, have been made and delivered in Great Britain and have been and are valid by British law, and that none of such agreements have been put in effect in, nor have any acts been done by this defendant thereunder in the United States in such manner as to constitute a violation of the laws of the United States.

XI.

Prayer.

And forasmuch as this defendant has fully answered the petition, and has denied all manner of unlawful combination, conspiracy,

monopoly, or attempt to monopolize, with which it is charged
266 in the petition, and is ready and willing to aver and prove, if there be any other matter in the petition material or necessary for this defendant to answer, which has not been well and sufficiently answered, admitted, avoided, or denied, that the same is not true to the knowledge or belief of this defendant, it respectfully prays to be hence dismissed, with its reasonable costs in this behalf most wrongfully sustained.

New York, November 15, 1912.

DODWELL & COMPANY (LIMITED),
By CONGERS & KIRLIN,
Their Solicitors.

CONVERS & KIRLIN,
Solicitors for Dodwell & Company (Limited), Defendant.

J. PARKER KIRLIN,
Counsel.

[Filed November 19, 1912.]

267 In the District Court of the United States for the Southern District of New York.

THE UNITED STATES OF AMERICA, PETITIONER,
against
AMERICAN-ASIATIC STEAMSHIP COMPANY AND OTHERS
Bucknall Steamship Lines (Ltd.), impleaded.
} In Equity.

Answer of Bucknall Steamship Lines (Ltd.).

The Bucknall Steamship Lines (Ltd.), a corporation of the Kingdom of Great Britain and Ireland, and a citizen of said Kingdom, now and at all times hereinafter saving to itself all benefit of exception or otherwise that may be taken to the errors, uncertainties, and imperfections in the petition herein, and to all or some of the subject matter thereof, for answer to said petition, or to so much of it as this defendant is advised it is material and necessary that it should answer, respectfully shows to this court as follows:

I.

The description of the defendants and of steamship lines conducted by them.

1. American-Asiatic Line.

This defendant admits that during the period that it has
268 been engaged in the trade, the American-Asiatic Steamship Company has maintained and operated a line of steamships known as the American-Asiatic Line, for the carriage of cargo between the port of New York and ports in the Far East. It is not

sufficiently informed to make answer to the other allegations contained in paragraph numbered 1 of article 1 of the petition.

2. Anglo-American Oil Line.

It admits that since it has been engaged in the trade, the Anglo-American Oil Company, which has an office in London, has maintained a line of steamships engaged in the carriage of cargo between the port of New York and ports in the Far East and that during part of such time George W. Pitou, of New York, was the agent of said line. It is not sufficiently informed to make further answer to paragraph numbered 2 of article 1 of the petition.

3. United States & China-Japan Line.

On information and belief this defendant admits the matters contained in subparagraphs marked "(a)," "(b)," and "(c)," but denies that it is sufficiently informed to be able to make answer to the other matters alleged in paragraph numbered 3 of article 1 of the petition.

4. American & Oriental Line.

On information and belief it admits that since it has been in the trade, a line of steamships known as the American & Oriental Line,
in which it is informed that Howard Houlder & Partners,
269 Houlder, Weir & Co., and Weir, Middleton & Co. are interested, has been engaged in the carriage of cargo between the port of New York and ports in the Far East.

5. Barber Line.

On information and belief it admits that since it has been in the trade the Barber Line has been in operation between New York and ports in the Far East, and that Dodwell & Company, whose principal office is in London, has acted as loading agent of the line through its local officers at Hongkong, Shanghai, and Yokohama. It also admits that the defendants Barber & Company (Incorporated), Lancashire Shipping Company (Limited), and Rankin, Gilmour & Company have been interested in the operation of the said line. This defendant is not sufficiently informed to be able to make answer to the other matters alleged in subdivision numbered 5 of Article I of the petition.

6. The American-Manchurian Line.

It admits that the Bucknall Steamship Lines (Limited) is a corporation organised under the laws of the Kingdom of Great Britain and Ireland, with offices in London, and that since August, 1907, this defendant has been the proprietor of a line of steamships known as the American-Manchurian Line, running between ports of the United States and ports in Manchuria and other ports in the Far East, and that the defendants Skeffington S. Norton, Joseph T. Lilly, and Edward N. Norton, all of the city of New York, have since that date
acted as the New York agents of the said line.

270 7. Isthmian Line.

It admits that the Isthmian Steamship Company (Limited) is a British corporation, but on information and belief it denies the other allegations contained in paragraph numbered 7 of Article I of the petition.

II.

Combination and conspiracy.

This defendant denies the allegations contained in Article II of the petition.

III.

Description of the trade and commerce between the United States and the Far East.

This defendant admits that freight is carried from points in the United States to points in the Far East by way of the Pacific coast and across the Pacific Ocean, and from points on the Atlantic coast eastward via the Suez Canal. It alleges, however, that there are other well-recognized channels of trade between the United States and the Far East. Among these are a route from Atlantic coast ports by way of the Cape of Good Hope to the Far East; a route from Atlantic coast ports to Galveston, Texas, thence by rail to the Pacific coast, thence by steamers to the Far East; and a route across the Atlantic from Atlantic ports to ports in Europe, and thence to ports in the Far East via the Suez Canal. It admits that each of the defendant lines that is engaged in the Far Eastern trade has maintained
271 relatively regular sailings during the time that it has been engaged therein. It denies the other allegations contained in Article III of the petition.

IV.

Denial of allegations as to the manner and means of accomplishing an unlawful combination and conspiracy.

1. Eastward agreement.

It denies that it has any knowledge or information sufficient to form a belief with regard to the allegations of subdivision 1 of Article IV of the petition, except that it denies that this defendant has observed the terms of an alleged agreement of April 13, 1905, as charged in this article of the petition.

2. Westward agreement.

On information and belief it denies the allegations contained in subdivision 2 of Article IV of the petition.

3. Pooling agreement.

This defendant is not sufficiently informed to be able to make answer to the allegations contained in subdivision 3 of Article IV of the petition relating to the so-called eastward pool. It denies that at any time it has been a party to any pool in the eastward trade. It admits that during part of the time that it has been engaged in the trade a pooling agreement with reference to the westward service

has been put into effect by the parties thereto, but it denies that Exhibit 3 is a true and correct copy of said agreement.

272 4. Pooling rules.

It admits that during the time that this defendant has been in the trade certain pooling rules relating to the westward trade have been in existence, but it denies that Exhibit 4 is a true and correct copy of the said rules.

Further answering, this defendant alleges that the agreements under which for a part of the time mentioned in the petition it has participated in the westward pool were made in England and that the pooling under said agreements was done entirely in England, and that under English law the said agreements and the pooling that was done thereunder were valid and lawful, and it denies that it has performed any acts in pursuance of said agreements within the jurisdiction of the United States in such manner as to contravene the laws of the United States or that it has otherwise violated the laws of the United States.

V.

Acts alleged to have been done in furtherance of agreements.

1. Conferences.

(a) This defendant is not informed and can not answer as to anything that was done prior to January 1, 1908. It admits that since that time certain meetings or conferences have been held by certain of the defendants or their representatives. It admits that certain meetings or conferences have been held from time to time in London by representatives of certain of the defendants, but it denies that in furtherance of any combination or conspiracy such meetings or

273 conferences have made, established, or revised schedules of sailings or performed any other acts which were in furtherance of a scheme of monopoly or tended to restrain trade or commerce or to bring about a monopoly of such trade and commerce.

(b) New York conference.

It admits that since January 1, 1908, certain meetings or conferences have been held at various times at the city of New York between representatives of the owners of certain vessels, the sailings of which have been advertised under names of the lines hereinbefore mentioned. It admits that at such meetings certain of the above-named defendants have, from time to time, and in certain instances only, agreed upon rates of freight to be charged by the owners of the vessels represented at the meetings. It denies that the defendants have at such meetings made contracts with individual shippers under which preferential rates have been granted as alleged, or that otherwise provided for the establishment of preferential rates of freight to be charged by the various lines based upon the locality from which cargoes have originally moved. It denies that said conferences, so far as participated in by this defendant, have compiled and forwarded information to Thomas B. Royden, of Liverpool, as alleged,

or for the purposes alleged, but admits that the decisions arrived at in such conferences have been acted upon by the defendants so far as they may have been represented therein.

274 (c) Hongkong and Singapore conferences.

It admits that since 1908 certain meetings or conferences have been held at Hongkong and Singapore, respectively, composed of representatives of certain of the defendants mentioned in the petition, and that the Hongkong conference established the rates of freight to be charged by the various lines engaged in traffic from ports east of Singapore to the port of New York, and the Singapore conference established rates of freight to be charged from the ports of Singapore and Penang to New York, but it denies that such conferences established such rates in furtherance of any scheme of conspiracy or monopoly, or were maintained in furtherance of any such scheme. It admits that the decisions of such conferences have been acted on by the defendants represented therein as binding upon them respectively.

On information and belief it denies the remaining allegations contained in Article V of the petition.

VI.

Position of American-Manchurian Line.

This defendant denies the allegations of Article VI of the petition in so far as they relate to the American-Manchurian Line and to this defendant. As to the other allegations in said article contained it is not sufficiently informed to enable it to make answer.

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VII.

Position of Isthmian Line.

This defendant admits that the Isthmian Steamship Company (Ltd.) is a British corporation, but on information and belief it denies all the other matters contained in article seventh of the petition.

VIII.

Deferred rebates.

This defendant denies the allegations contained in article eighth of the petition.

IX.

This defendant denies the allegations contained in Article IX of the petition.

Further answering, this defendant avers that a large proportion of the shipments of merchandise from the United States to ports in the

Far East are made on vessels not owned or controlled by any of the defendants; that large quantities of oil, steel products, phosphate, and cotton are shipped to Far Eastern ports by chartered or owned vessels not owned or controlled by the defendants; and that the rates of freight charged by the defendant's line are fixed in competition with such other carriers engaged in the trade, as well as with the continental and European lines trading to the Far East, and with the Pacific lines operating in connection with the transcontinental railways, and that such rates have at all times been just and reasonable.

276 And this defendant further says that its participation in the trades to the Far East has not been in pursuance of any conspiracy to restrain or monopolize such trade, and that, on the contrary, it has tended to develop and increase, and has developed and increased, the trade between the United States and ports in the Far East, and at all times has been just and reasonable.

X.

Prayer.

And forasmuch as this defendant has fully answered the petition, and has denied all manner of unlawful combination, conspiracy, monopoly, or attempt to monopolize, with which it is charged in the petition, and is ready and willing to aver and prove, if there be any other matter in the petition material or necessary for this defendant to answer which has not been well and sufficiently answered, admitted, avoided, or denied, that the same is not true to the knowledge or belief of this defendant, it respectfully prays to be hence dismissed with its reasonable costs in this behalf most wrongfully sustained.

New York, November 15, 1912.

BUCKNALL STEAMSHIP LINES (LTD.),
By NORTON & SON, *Agents.*

CONVERS & KIRLIN,
Solicitors for Bucknall Steamship Lines (Ltd.), Defendant.

J. PARKER KIRLIN, *Counsel.*

[Filed November 10, 1912.]

277 In the District Court of the United States for the Southern District of New York.

THE UNITED STATES OF AMERICA, PETITIONER,
against
AMERICAN-ASIATIC STEAMSHIP COMPANY AND OTHERS,
Norton & Son, impleaded.
} In Equity.

Answer of Norton & Son.

Skeffington S. Norton, Joseph T. Lilly, and Edward N. Norton, now and at all times hereinafter saving to themselves all benefit of

exception or otherwise that may be taken to the errors, uncertainties, and imperfections in the petition herein, and to all or some of the subject matter thereof for answer to said petition, or to so much of it as these defendants are advised it is material and necessary that they should answer, respectfully show to this court as follows:

I.

The description of the defendants and of steamship lines conducted by them.

1. American-Asiatic Line.

These defendants admit that since August, 1907, the American-Asiatic Steamship Company has maintained and operated a line of steamships known as the American-Asiatic Line, for the car-
278 riage of cargo between the port of New York and ports in the Far East. They are not sufficiently informed to make answer to the other allegations contained in paragraph numbered 1 of article 1 of the petition.

2. Anglo-American Oil Line.

They admit that since 1907 the Anglo-American Oil Company, which has an office in London, has maintained a line of steamships engaged in the carriage of cargo between the port of New York and ports in the Far East, and that during part of such time George W. Pitou, of New York, was the agent of said line. They are not sufficiently informed to make further answer to paragraph numbered 2 of article 1 of the petition.

3. United States & China-Japan Line.

On information and belief these defendants admit the matters contained in subparagraphs marked "(a)," "(b)," and "(c)," but deny that they are sufficiently informed to make answer to the other matters alleged in paragraph numbered 3 of article 1 of the petition.

4. American & Oriental Line.

On information and belief they admit that since 1907 a line of steamships known as the American & Oriental Line, in which they are informed that Howard Houlder & Partners, Houlder, Weir & Co., and Weir, Middleton & Co. are interested, has been engaged in the carriage of cargo between the port of New York and ports in the Far East.

5. Barber Line.

279 On information and belief they admit that since 1907 the Barber Line has been in operation between New York and ports in the Far East, and that Dodwell & Company, whose principal office is in London, has acted as loading agent of the line through its local officers at Hongkong, Shanghai, and Yokohama. They also admit that the defendants Barber & Company (Incorporated), Lancashire, Shipping Company (Limited), and Rankin, Gilmour & Com-

pany have been interested in the operation of the said line. They are not sufficiently informed to be able to make answer to the other matters alleged in subdivision numbered 5 of article 1 of the petition.

6. The American-Manchurian Line.

They admit that the Bucknell Steamship Lines (Limited) is a corporation organized under the laws of the Kingdom of Great Britain and Ireland, with offices in London, and that since August, 1907, it has been the proprietor of a line of steamships known as the the American-Manchurian Line, running between ports of the United States and ports in Manchuria and other ports in the Far East, and that these defendants Skeffington S. Norton, Joseph T. Lilly, and Edward N. Norton, all of the city of New York, under their firm name of Norton & Son, have since that date acted as the New York agents of the said line.

7. Isthmian Line.

They admit that the Isthmian Steamship Company (Limited) is a British corporation, but on information and belief they deny the other allegations contained in paragraph numbered 7 of Article I of the petition.

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II.

Combination and conspiracy.

These defendants deny the allegations contained in Article II of the petition.

III.

Description of the trade and commerce between the United States and the Far East.

These defendants admit that freight is carried from points in the United States to points in the Far East by way of the Pacific coast and across the Pacific Ocean, and from points on the Atlantic coast eastward via the Suez Canal. They allege, however, that there are other well-recognized channels of trade between the United States and the Far East. Among these are a route from Atlantic coast ports by way of the Cape of Good Hope to the Far East; a route from Atlantic coast ports to Galveston, Texas, thence by rail to the Pacific coast, thence by steamers to the Far East; and a route across the Atlantic from Atlantic ports to ports in Europe, and thence to ports in the Far East via the Suez Canal. They admit that each of the defendant lines that is engaged in the far eastern trade has maintained relatively regular sailings during the time that it has been engaged therein. They deny the other allegations contained in Article III of the petition.

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IV.

Denial of knowledge as to allegations relative to the manner and means of accomplishing an unlawful combination and conspiracy.

These defendants deny that they have any knowledge or information sufficient to form a belief with respect to the matters alleged in Article IV of the petition.

V.

Acts alleged to have been done in furtherance of agreements.

These defendants admit that since January 1, 1908, certain meetings or conferences have been held at various times at the city of New York between representatives of the owners of certain vessels, the sailings of which have been advertised under names of the lines hereinbefore mentioned. They admit that at such meetings certain of the above-named defendants have from time to time, and in certain instances only, agreed upon rates of freight to be charged by the owners of the vessels represented at the meetings. They deny that the defendants have at such meetings made contracts with individual shippers under which preferential rates have been granted as alleged, or that otherwise provided for the establishment of preferential rates of freight to be charged by the various lines based upon the locality from which cargoes have originally moved. They deny
282 that said conferences, so far as participated in by them, have compiled and forwarded information to Thomas B. Royden, of Liverpool, as alleged, or for the purposes alleged, but admit that the decisions arrived at in such conferences have been acted upon by the defendants so far as they may have been represented therein.

These defendants are without knowledge or information sufficient to enable them to make answer to the remaining allegations contained in Article V of the petition.

VI.

Position of American-Manchurian Line.

These defendants deny the allegations of Article VI of the petition in so far as they relate to the American-Manchurian Line and to these defendants. As to the other allegations in said article contained, they are not sufficiently informed to enable them to make answer.

VII.

Position of Isthmian Line.

These defendants admit that the Isthmian Steamship Company (Ltd.) is a British corporation, but, on information and belief, they deny all the other matters contained in Article VII of the petition.

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VIII.

Deferred rebates.

These defendants on information and belief deny the allegations contained in Article VIII of the petition.

IX.

These defendants deny the allegations contained in Article IX of the petition.

Further answering, these defendants aver that a large proportion of the shipments of merchandise from the United States to ports in the Far East are made on vessels not owned or controlled by any of the defendants; that large quantities of oil, steel products, phosphate, and cotton are shipped to far eastern ports by chartered or owned vessels not owned or controlled by the defendants; and that the rates of freight charged by the defendant carriers are fixed in competition with such other carriers engaged in the trade, as well as with the continental and European lines trading to the Far East, and with the Pacific lines operating in connection with the transcontinental railways, and that such rates have at all times been just and reasonable.

And these defendants further say that the operations of the carrier defendants in the trades to the Far East have not been in pursuance of any conspiracy to restrain or monopolize such trade, and that, on the contrary, they have tended to develop and increase, and have developed and increased the trade between the United States and ports in the Far East, and at all times have been just and reasonable.

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X.

Finally, these defendants allege that they are not, and have not, at any time, been parties to any such agreements as are alleged in the petition; that they have not had any interest in such agreements as principals; that their only connection with any business transacted in the said trades has been as is ordinarily performed by agents employed to obtain cargoes to be loaded on board vessels outward bound, and to attend to the loading thereof and despatch thereof, and to the collection of freight thereon, and to attend to the delivery of cargoes inward bound, and to the collection of the freights thereon, for all which services they have been paid a commission based on the freight handled, and nothing more.

XI.

Prayer.

And forasmuch as these defendants have fully answered the petition, and have denied all manner of unlawful combination, conspiracy, monopoly, or attempt to monopolize, with which they are

charged in the petition, and are ready and willing to aver and prove, if there be any other matter in the petition material or necessary for them to answer, which has not been well and sufficiently answered, admitted, avoided, or denied, that the same is not true to the knowledge or belief of these defendants, they respectfully pray to be
285 hence dismissed, with their reasonable costs in this behalf most wrongfully sustained.

New York, November 15, 1912.

SKEFFINGTON S. NORTON.
JOSEPH T. LILLY.
EDWARD N. NORTON.

CONVERS & KIRLIN,
Solicitors for Norton & Son, Defendants.

J. PARKER KIRLIN,
Counsel.

[Filed November 19, 1912.]

286 In the District Court of the United States for the Southern District of New York.

THE UNITED STATES OF AMERICA, PETITIONER,
against
AMERICAN-ASIATIC STEAMSHIP COMPANY AND OTHERS, defendants. } In Equity.

The defendants Isthmian Steamship Company (Ltd.) and John W. Ryan (impleaded as J. W. Ryan), answering unto so much and such parts of the petition of the United States of America, filed in the above entitled cause, as they are advised it is material and necessary for them to make answer unto, say:

1. They admit that the defendant Isthmian Steamship Company (Ltd.) is a corporation organized under the laws of the Kingdom of Great Britain and that its principal office is at London, England. They deny that said company has since the year 1907 or at any other time maintained or operated a line of steamships known as the Isthmian Line, or known by any other name, running between the port of New York and the territory of the Philippines, the countries of China and Japan, and other countries in the Far East, or between the port of New York and any of said countries or territories. They also deny that said company is now acting or ever has acted as a common carrier of freight in said area or in any part thereof, and deny that the defendant John W. Ryan is now or at any time since 1907 has been the agent at New York of said company.

287 2. They deny that they or either of them is or are engaged in the foreign trade and commerce of the United States, and deny that they or either of them is or are engaged as common carriers of freight for hire between ports on the eastern or Atlantic coast of the United States and ports in the Philippine Islands, or

in the countries of China or Japan, or other countries in the Far East. They also deny that they are, or that either of them ever has been, violating the provisions of the act of Congress passed July 2, 1890, entitled "An act to protect trade and commerce against unlawful restraints and monopolies," in the respects mentioned in the said petition, or in any other respect.

3. They deny that they or either of them now is or ever have been parties to the alleged agreements mentioned in the fourth paragraph of the said petition and therein called "eastward agreement," "westward agreement," "pooling agreement" and "pooling rules." They also deny that they or either of them have at any time cooperated, consented, or assisted in putting or keeping in effect said alleged agreements or any of them; that they or either of them have at any time observed the terms thereof; and that they or either of them have at any time cooperated or acted together with the other defendants or any of them in the observance thereof.

4. They deny that they or either of them have ever maintained, attended, participated, or assisted in, or in any way assented to or cooperated with the alleged conferences or meetings mentioned in the fifth paragraph of the said petition and therein called "London conference," "New York conference," and "Hongkong and Singapore conferences," or any or either of them; and they
288 deny that any resolutions, acts, or determinations alleged to have been taken by such conferences have been acted upon by them either as binding or otherwise.

5. They deny that the defendant Isthmian Steamship Company (Ltd.) was organized by the owners of any of the other lines named in the petition, and deny that it is now controlled, or ever has been controlled, by any of the other defendants named in the said petition, and deny that its stock or any part thereof has ever been owned or is now owned by any other of said defendants. They also deny that during all or any part of the period mentioned in the said petition said Isthmian Steamship Company (Ltd.) has either chartered steamships or has used the same as a common carrier of freight in the territory described in the petition or in any other territory. They say that said steamship company now is, and for a long time has been, the owner of a number of steamships, and that it has never chartered any steamships. They also deny that the profits made by the Isthmian Steamship Company, or any part thereof, have ever been distributed among the other lines mentioned in the said petition or any of them. They also deny that the defendant John W. Ryan, or any of the individuals or firms mentioned in the said petition, do now act or ever have acted as New York agents for the Isthmian Steamship Company (Ltd.).

6. They deny that they or either of them have at any time maintained or participated in maintaining any such system of deferred rebates as is mentioned in the eighth paragraph of the said petition or any other system of rebates.

289 7. They deny that they or either of them have acquired a monopoly in whole or part of that portion of the foreign trade or commerce of the United States which consists in the transportation of freight for hire between ports on the Atlantic coast of the United States and ports in the Far East by water. And they deny that they have acquired a monopoly or have attempted to acquire a monopoly of any part of the foreign trade or commerce of the United States.

8. As to all other matters alleged in the said petition, they say that they are without knowledge or sufficient information upon which to form a belief, and they leave the petitioner to make such proof thereof as it may be advised.

And these defendants pray to be hence dismissed.

JOHN W. GRIFFIN,
Solicitor for Defendants Isthmian Steamship Company (Ltd.) and John W. Ryan, 27 William Street, New York City.

(Endorsed:) U. S. District Court, S. D. of N. Y. Filed November 19, 1912.

290 United States District Court for the Southern District of New York.

THE UNITED STATES OF AMERICA, PETITIONER,
against
AMERICAN-ASIATIC STEAMSHIP COMPANY AND OTHERS, defendants.
} In Equity.

The Indra Line (Limited) now and at all times hereafter reserving all benefit of exception or otherwise that may be taken to the errors, uncertainties, and imperfections in the amended petition herein, hereinafter called "the petition," and to some or all of the subject matter set forth therein, for answer to said petition, or to so much thereof as this defendant is advised that it is material or necessary that it should answer, respectfully shows to this court as follows:

I.

As to the description of the defendants and the steamship lines conducted by them.

1. On information and belief, this defendant admits the allegations contained in subdivisions (a), (b), and (d) of paragraph 1 of Article I of the petition.

It is not sufficiently informed to make answer to subdivisions (c) or (e) of said paragraph 1.

2. It admits on information and belief that the Anglo-Amer-
291 ican Oil Company (Limited), which has an office in London, has maintained a line of steamships between New York and ports in the East, and that George W. Pitou was at one time the

New York agent of said line. It is not sufficiently informed as to the other allegations contained in paragraph 2, of Article I of the petition, to make answer thereto.

3. It admits the allegations contained in subdivisions (a), (b), (c), and (f) of paragraph 3 of Article I of the petition.

It admits the allegations contained in subdivision (e) of paragraph 3 of Article I of the petition, except that it denies that all the present members of the firm of Funch, Edye & Co. except William Volckens are residents of the city, State, and southern district of New York.

4. It admits that from 1903 a line of steamships known as American-Oriental Line has been maintained as a carrier of freight between New York and the Far East, and that Howard Houlder and Partners (Inc.), and Houlder, Weir & Boyd (Inc.), have acted as managers of said line in New York. It admits, on information and belief, that William Boyd and Robert A. Sewell are residents of New York City and have been connected in some way with Howard Houlder and Partners (Inc.), and with Houlder, Weir & Boyd (Inc.), but it is not sufficiently informed as to the other matters alleged in paragraph 4 of Article I of the petition to make answer thereto.

5. It admits that the Barber Line has been engaged in traffic between New York and the Far East, and that Barber & Co. (Inc.) has been the New York agent of said line, and that Dodwell & Co. (Ltd.) has been the loading agent of said line in Hongkong. Further, it admits that Barber & Co. (Inc.) has an office in New
292 York City, and that Messrs. Herbert Barber, James Barber, and A. L. Hautman have been connected officially with said line.

As to the other allegations of paragraph 5 of Article I of the petition it is not sufficiently informed to make answer thereto.

6. On information and belief, it admits that Bucknall Steamship Lines (Limited) is a British corporation, with an office in London, and that it has for several years maintained a line of steamships known as American-Manchurian Line between New York and the Far East, and that Messrs. Skeffington S. Norton, Joseph T. Lilly, and Edward N. Norton, composing the firm of Norton & Son, have acted as the agents of said line in New York.

As to the other allegations of paragraph 6 of Article I of the petition it is not sufficiently informed to make answer thereto.

II.

Denial of combination and conspiracy.

7. It admits that the defendants herein, or some of them, are engaged in the foreign trade and commerce of the United States, and are particularly engaged as carriers of freight for hire between ports on the eastern coast of the United States and ports in the Philippine Islands, in China and Japan, and in other countries in the Far East.

It denies that in respect to said trade and commerce the defendants are or ever have been violating the provisions of the act of Congress passed July 2, 1890, entitled "An act to protect trade and commerce against unlawful restraints and monopolies, in the respects mentioned in Article II of the petition or in any respects whatsoever.

It denies that it has any knowledge or information sufficient
293 to form a belief as to the purpose or object of this proceeding, except so far as appears in the petition itself. And it denies each and every other allegation contained in Article II of the petition.

III.

As to the description of the trade and commerce in which defendants are engaged.

8. It denies that the freight routes between the United States and places in the Far East are correctly described in Article III of the petition, but on the contrary it says that in addition to the routes therein described there is a route from Atlantic coast ports round the Cape of Good Hope and there is a route from Atlantic coast ports to Galveston, Texas, thence by rail to the Pacific coast, and thence across the Pacific Ocean to the Far East. Shipments are also made from the United States to the Far East by way of Europe, the goods being carried by trans-Atlantic steamships to European ports and there transshipped on steamships which pass through the Mediterranean and the Suez Canal.

9. It denies that since 1903 the only steamship lines engaged in the traffic from the Atlantic coast of the United States to the Far East have been operated by the defendants, but on the contrary it says that a large proportion of the freight shipped from the Atlantic coast of the United States to the Far East has been carried in vessels owned and operated by persons other than the defendants. It admits that each of the defendant lines engaged in said traffic has at all times maintained regular sailings between the port of New York and various far eastern ports. It denies that during said period no other port except New York on the Atlantic coast of the
294 United States has been reached regularly by any line, and it admits that so far as it is aware no through rates are made with railroads running to New York, and that the rates charged by each of the defendant steamship lines are all-water rates between New York and far eastern ports.

IV.

Denial of allegations as to manner and means of accomplishing an unlawful combination and conspiracy.

As to eastward agreement.

10. It denies that in furtherance of any combination or conspiracy, or as a part thereof, the defendants mentioned in subdi-

vision 1 of Article IV of the petition entered into the agreement annexed to the petition and marked "Exhibit 1" or any agreement whatsoever, but it admits that on or about April 13, 1905, the defendants whose names appear on page 30 of the petition executed at London a written agreement, whereof Exhibit 1 annexed to the petition purports to be a copy. It admits that said agreement was put into effect by the parties thereto and except as modified has been kept in effect by them to the time of the filing of this petition. For the terms of said eastern agreement, it begs leave to refer to the original thereof.

As to westward agreement.

11. It denies that in furtherance of any combination or conspiracy, or as a part thereof, the defendants mentioned in subdivision 2 of Article IV of the petition entered into the agreement annexed to the petition and marked "Exhibit 2," or any agreement whatsoever, but it admits that on or about April 13, 1905, the defendants mentioned in paragraph 2 of Article IV of the pe-
295 tition executed at London a written agreement, whereof Exhibit 2 annexed to the petition purports to be a copy. It admits that said agreement has been known by the parties thereto as the westward agreement, that it was put into effect by the parties thereto and, except as modified, has been kept in effect by them to the time of the filing of this petition, and that the parties thereto have cooperated and acted together in the observance thereof as modified. For the terms of said westward agreement this defendant begs leave to refer to the original thereof.

As to pooling agreement.

12. This defendant denies each and every allegation contained in subdivision 3 of Article IV of the petition, except that it admits that a so-called pooling agreement was executed and put into effect, except as modified.

As to pooling rules.

13. It admits that the pooling agreement above mentioned was modified from time to time and that on January 1, 1907, a general revision of its terms was made and published in the form of a pamphlet entitled "Pooling Rules," and that Exhibit 4 annexed to the petition purports to be a copy of said pamphlet.

V.

As to acts done in furtherance of agreements.

As to conferences.

14. It denies that in furtherance of any combination or conspiracy whatsoever meetings or conferences of the defendants have

been maintained, but it admits that in pursuance of the terms of the agreements hereinbefore mentioned there have been periodical meetings or conferences of certain of the defendants.

296 As to London conference.

15. It admits that from 1903 to the time of the filing of this petition certain meetings or conferences were held in London, under the name of the London conference, by representatives of certain of the defendant steamship lines mentioned in folio 23 of the petition. It denies that in furtherance of any combination or conspiracy such conference has made, established, or revised schedules of sailings, or performed any other acts which were in furtherance of a scheme of monopoly or tended to restrain trade and commerce or to bring about a monopoly of trade and commerce of any sort whatsoever.

As to New York conference.

16. It admits that from 1905 to the time of the filing of this petition certain meetings or conferences were held in the city of New York under the name of the New York conference by the representatives of certain of the lines named in folios 24 and 25 of the petition. It admits that at these meetings the defendants represented have from time to time agreed upon and have established rates of freight to be charged by the lines engaged in traffic from New York to the Far East, and it says that the rates of freight so established have at all times been moderate and reasonable and have been fixed in competition with other steamship lines not parties to the agreements mentioned in the petition. It denies that the defendants have made contracts with individual shippers under which preferential rates have been granted to such shippers.

As to the Hongkong and Singapore conferences.

17. It admits that from 1905 to the time of the filing of this petition certain meetings or conferences known as the Hongkong
297 and Singapore conferences, respectively, were held in the cities of Hongkong and Singapore, composed of representatives of certain of the lines mentioned in the petition; that the Hongkong conferences established the rates of freight to be charged by the various lines engaged in traffic from points east of Singapore to the port of New York, and the Singapore conference established the rates to be charged from the ports of Singapore and Penang to New York, but it denies that said conferences established such rates in furtherance of any scheme of conspiracy or monopoly whatsoever. It admits that the conferences at Hongkong and Singapore were maintained in accordance with the provisions of a westward agreement, but it denies that they were maintained in furtherance of any scheme of conspiracy or monopoly whatsoever.

Further answering, this defendant admits that the resolutions, acts, and determinations of the respective conferences have been acted upon by the defendants who were represented therein as binding upon them, respectively.

Further answering, this defendant denies, upon information and belief, every other allegation contained in Article V of the petition.

VI.

As to the position of American-Manchurian Line.

18. This defendant admits that in the year 1907 the American-Manchurian Line was established as an independent line by defendant Bucknall Steamship Lines (Ltd.), and that said line was a competitor of the lines who were parties to certain of the written agreements mentioned in the petition, and that from January 1, 1908, and for sometime thereafter, the American-Manchurian Line was represented at the meetings of the New York conference by Messrs. Norton & Sons.

298 Further answering, this defendant says that it has no knowledge as to the other allegations of Articles VI of the petition.

VII.

As to deferred rebates.

19. It denies the allegations contained in Article VIII of the petition.

VIII.

20. It denies each and every allegation contained in Article IX of the petition.

And it says that a large proportion of the shipments from the United States to the Far East are made on steamships not owned or controlled by the defendants; that large shipments of case oil are made on vessels neither owned nor controlled by the defendants; that many steamships in which the defendants have no interest carry large cargoes of steel products to the Far East; that shipments of phosphate and cotton to Japan are made by steamships not owned or controlled by the defendants; that the rates of freight charged by the defendant lines are fixed not only in competion with trans-Atlantic steamships, which transship cargoes in the United Kingdom or the Continent of Europe to other vessels for transportation to the Far East, but also in competition with the transcontinental railways of the United States and with steamships plying in the Pacific Ocean.

Further, this defendant says that it has never attempted to monopolize the traffic between the United States and the Far East, or any part thereof, and that such a monopoly is utterly unattainable.

Further answering, this defendant says that regular sailings, steady rates, and the ability to interchange contracts are of the greatest value to the merchants and manufacturers of the United

299 States and tend to develop and increase trade between the United States and the Far East.

Further answering, this defendant says that all the agreements to which it was a party are valid under the law of the place where they were made, as well as under the laws of the United States, and that all the acts done by these defendants are valid and lawful and not in violation of any statute or law of the United States.

21. And this defendant now, having fully answered the petition herein, denies all and all manner of unlawful contract, combination, conspiracy, monopolizing or attempt to monopolize, wherewith it is charged by said petition; without this, that if there is any other matter, cause, or thing in the petition contained material or necessary for this defendant to make answer to and not herein or hereby well and sufficiently answered, confessed, traversed, and avoided or denied, the same is not true to the knowledge or belief of this defendant; all of which matters and things this defendant is ready and willing to aver, maintain, and prove as this honorable court shall direct, and humbly prays to be hence dismissed with its reasonable costs in this behalf most wrongfully sustained.

THE INDRA LINE (LIMITED),
By FUNCH, EDYE & CO., *Agents*,
By T. ASHLEY SPARKS.
BURLINGHAM, MONTGOMERY & BEECHER,
Solicitors for said Defendant.

JOHN C. SPOONER,
CHARLES C. BURLINGHAM,
CHARLES BURLINGHAM,
Of Counsel.

Filed Dec. 1, 1913.

300 District Court of the United States for the Southern District of New York.

THE UNITED STATES OF AMERICA, PETITIONER,
against
AMERICAN-ASIATIC STEAMSHIP COMPANY AND OTHERS, defendants.
} In Equity.

The answer of Houlder, Weir & Boyd (Inc.) to the amended petition, hereinafter called "the petition," of the United States of America herein:

This defendant, for answer to said petition, or to so much thereof as it is advised that it is material or necessary for it to make answer to, alleges:

I.

As to the description of the defendants and the steamship lines conducted by them.

1. On information and belief this defendant admits the allegations contained in subdivisions (a), (b), and (d) of paragraph 1 of Article I of the petition.

It is not sufficiently informed to make answer to subdivisions (c) or (e) of said paragraph 1.

2. It admits, on information and belief, that the Anglo-American Oil Company (Ltd.), which has an office in London, has maintained a line of steamships between New York and ports in the East, and that George W. Pitou was at one time the New York agent
301 of said line. It is not sufficiently informed as to the other allegations contained in paragraph 2 of Article I of the petition to make answer thereto.

3. On information and belief it admits the allegations contained in subdivisions (a), (b), and (f) of paragraph 3 of Article I of the petition.

It is not sufficiently informed to make answer to subdivision (c) of said paragraph 3.

It admits that the firm of Funch, Edye & Co., of New York City, have acted as agents of the United States and China-Japan Line, and that Wilhelm Volckens is a resident of Hamburg.

It is not sufficiently informed to make answer to the other allegations in subdivision (e) of said paragraph 3

4. It admits the allegations contained in [illegible]raph 4 of Article I of the petition.

5. It admits that the Barber Line h[illegible]ed in traffic between New York and the Far East, a[illegible] & Co. (Inc.) has been the New York agent of said lin[illegible]well & Co. (Ltd.) has been the loading agent of said [illegible] Hongkong. Further they admit that Barber & Co. (Inc.) have [illegible] office in New York City, and that Messrs. Herbert Barber, James Barber, and A. L. Hautman have been connected officially with said line.

As to the other allegations of paragraph 5 of Article I of the petition it is not sufficiently informed to make answer thereto.

6. On information and belief it admits that Bucknall Steamship Lines (Ltd.) is a British corporation with an office in London, and that it has for several years maintained a line of steamships known as American-Manchurian Line between New York and the
302 Far East, and that Messrs. Skeffington S. Norton, Joseph T. Lilly, and Edward N. Norton, composing the firm of Norton & Son, have acted as the agents of said line in New York.

As to the other allegations of paragraph 6 of Article I of the petition, it is not sufficiently informed to make answer thereto.

II.

Denial of combination and conspiracy.

7. It admits that the defendants herein, or some of them, are engaged in the foreign trade and commerce of the United States, and are particularly engaged as carriers of freight for hire between ports on the eastern coast of the United States and ports in the Philippine Islands, in China and Japan, and in other countries in the Far East. It denies that in respect to said trade and commerce

the defendants are or ever have been violating the provisions of the act of Congress passed July 2, 1890, entitled "An act to protect trade and commerce against unlawful restraints and monopolies," in the respects mentioned in Article II of the petition, or in any respect whatsoever. It denies that it has any knowledge or information sufficient to form a belief as to the purpose or object of this proceeding, except so far as it may appear from the allegations of the petition itself. And it denies each and every other allegation contained in Article II of the petition.

III.

As to the description of the trade and commerce in which defendants are engaged.

8. It denies that the freight routes between the United States and points in the Far East are correctly described in Article III
303 of the petition, but, on the contrary, it says that in addition to the routes therein described there is a route from Atlantic coast ports round the Cape of Good Hope, and there is a route from Atlantic coast ports to Galveston, Texas, thence by rail to the Pacific Ocean and the Far East. Moreover, heavy shipments are made from the United States to the Far East by way of Europe, the goods being carried by trans-Atlantic steamships to European ports and there transshipped on steamships which pass through the Mediterranean and the Suez Canal.

It denies that since 1903 the only steamship lines engaged in the traffic from the Atlantic coast of the United States to the Far East have been operated by the defendants, but, on the contrary, it says that a large proportion of the freight shipped from the Atlantic coast of the United States to the Far East has been carried in vessels owned and operated by persons other than the defendants. It admits that each of the defendant lines engaged in said traffic has at all times maintained regular sailings between the port of New York and various Far Eastern ports. It denies that during said period no other port except New York on the Atlantic coast of the United States has been reached regularly by any lines, and it admits that so far as it is aware no through rates are made with railroads running to New York, and that the rates charged by each of the defendant steamship lines are all-water rates between New York and Far Eastern ports.

IV.

Denial of alleged manner and means of accomplishing unlawful combination and conspiracy.

As to eastward agreement.

9. It denies that in furtherance of any combination or con-
304 spiracy, or as a part thereof, the defendants mentioned in subdivision 1 of Article IV of the petiton entered into the agree-

ment annexed to the petition and marked "Exhibit 1," or any agreement whatsoever, but it admits that on or about April 13, 1905, the defendments mentioned in paragraph 1 of Article IV of the petition executed at London a written agreement, whereof Exhibit 1 annexed to the petition purports to be a copy. It admits that said agreement was put into effect by the parties thereto, and except as modified has been kept in effect by them to the time of the filing of this petition. For the terms of said eastern agreement it begs leave to refer to the original thereof.

As to westward agreement.

10. It denies that in furtherance of any combination or conspiracy, or as a part thereof, the defendants mentioned in subdivision 2 of Article IV of the petition entered into the agreement annexed to the petition and marked Exhibit 2, or any agreement whatsoever, but it admits that on or about April 13, 1905, the defendants mentioned in paragraph 2 of Article IV of the petition executed at London a written agreement, whereof Exhibit 2 annexed to the petition purports to be a copy. It admits that said agreement has been known by the parties thereto as the westward agreement, that it was put into effect by the parties thereto, and, except as modified, has been kept in effect by them to the time of the filing of this petition, and that the parties thereto have co-operated and acted together in the observance thereof as modified. For the terms of said westward agreement this defendant begs leave to refer to the original thereof.

As to pooling agreement.

11. This defendant denies each and every allegation con-
305 tained in subdivision 3 of Article IV of the petition, except that it admits that a so-called pooling agreement was executed and put into effect except as modified.

As to pooling rules.

12. It admits that the pooling agreement above mentioned was modified from time to time and that on January 1, 1907, a general revision of its terms was made and published in the form of a pamphlet entitled "Pooling Rules," and that Exhibit 4 annexed to the petition purports to be a copy of said pamphlet.

V.

As to acts done in furtherance of agreement.

As to conferences.

13. It denies that in furtherance of any combination or conspiracy whatsoever meetings or conferences of the defendants have been

maintained, but it admits that in pursuance of the terms of the agreements hereinbefore mentioned there have been periodical meetings or conferences of certain of the defendants.

As to London conference.

14. It admits that from 1903 to the time of the filing of this petition certain meetings or conferences were held in London under the name of the London conference by representatives of certain of the defendant steamship lines mentioned in the petition. It denies that in furtherance of any combination or conspiracy such conference has made, established, or revised schedules of sailings or performed any other acts which were in furtherance of a scheme of monopoly or tended to restrain trade and commerce or to bring about a monopoly of trade and commerce of any sort whatsoever.

306 As to New York conference.

15. It admits that from 1905 to the time of the filing of this petition certain meetings or conferences were held in the city of New York under the name of the New York conference by the representatives of certain of the lines named in the petition; that at these meetings the defendants represented have from time to time agreed upon and established rates of freight to be charged by the lines engaged in traffic from New York to the Far East, and it says that the rates of freight so established have at all times been moderate and reasonable and have been fixed in competition with other steamship lines not parties to the agreements mentioned in the petition. It denies that the defendants have made contracts with individual shippers under which preferential rates have been granted to such shippers, or that they have established any preferential rate of freight.

As to Hongkong and Singapore conferences.

16. It admits that from 1905 to the time of the filing of this petition certain meetings or conferences, known as the Hongkong and Singapore conferences, respectively, were held in the cities of Hongkong and Singapore, composed of representatives of certain of the lines mentioned in the petition; that the Hongkong conference established the rates of freight to be charged by the various lines engaged in traffic from points east of Singapore to the port of New York, and the Singapore conference established the rates to be charged from the ports of Singapore and Penang to New York, but it denies that said conferences established such rates in furtherance of any general scheme of conspiracy or monopoly whatsoever. It admits that the conferences at Hongkong and Singapore were maintained in accordance with the provisions of a westward agree-

307 ment, but it denies that they were maintained in furtherance of any scheme of conspiracy or monopoly whatsoever.

Further answering, this defendant admits that the resolutions, acts, and determinations of the respective conferences have been acted upon by the defendants who were represented therein as binding upon them respectively.

Further answering, this defendant denies, upon information and belief, every other allegation contained in Article V of the petition.

VI.

As to the position of American-Manchurian Line.

17. This defendant admits that in the year 1907 the American-Manchurian Line was established as an independent line by defendant Bucknall Steamship Line (Ltd.), and that said line was a competitor of the lines which were parties to certain of the written agreements mentioned in the petition, and that from January 1, 1908, and for some time thereafter, the American-Manchurian Line was represented at the meetings of the New York conference by Messrs. Norton & Son.

Further answering, this defendant says that it has no knowledge as to the other allegations of Article VI of the petition.

VII.

As to deferred rebates.

18. It denies the allegations contained in Article VIII of the petition.

VIII.

19. It denies each and every allegation contained in Article IX of the petition.

And it says that a large proportion of the shipments from
308 the United States to the Far East are made on steamships not owned or controlled by the defendants; that large quantities of case oil are shipped by vessels not owned or controlled by the defendants; that many steamships in which the defendants have no interest carry large cargoes of steel products to the Far East; that shipments of phosphate and cottom to Japan are made by steamships not owned or controlled by the defendants; that the rates of freight charged by the defendant lines are fixed in competition not only with trans-Atlantic steamships which transship cargoes in the United Kingdom or the Continent of Europe to other vessels for transportation to the Far East, but also in competition with the transcontinental railways of the United States and steamships plying in the Pacific Ocean.

Further, this defendant says that it has never attempted to monopolize the traffic between the United States and the Far East, or any part thereof, and that such a monopoly is utterly unattainable.

Further answering, this defendant says that regular sailings, steady rates, and the ability to interchange contracts are of the greatest value to the merchants and manufacturers of the United States and tend to develop and increase trade between the United States and the Far East.

Further answering, this defendant says that all the agreements to which it or its principals were parties are valid under the law of the place where they were made, as well as under the laws of the United States, and that all the acts done by these defendants are valid and lawful, and not in violation of any statute or law of the United States.

20. And this defendant now, having fully answered the petition herein, denies all and all manner of unlawful contract, combi-
309 nation, conspiracy, monopolizing or attempt to monopolize, wherewith it is charged by said petition; without this, that if there is any other matter, cause, or thing in the petition contained material or necessary for this defendant to make answer to and not herein or hereby well and sufficiently answered, confessed, traversed, and avoided or denied, the same is not true to the knowledge or belief of this defendant; all of which matters and things this defendant is ready and willing to aver, maintain, and prove as this honorable court shall direct, and humbly prays to be hence dismissed with its reasonable costs in this behalf most wrongfully sustained.

HOULDER, WEIR & BOYD (INC.),
By WILLIAM BOYD, *President.*

BURLINGHAM, MONTGOMERY & BEECHER,
Solicitors for said Defendants.

CHARLES C. BURLINGHAM,
CHARLES BURLINGHAM,
Of Counsel.

Filed Dec. 1, 1913.

310 District Court of the United States, for the Southern District of New York.

THE UNITED STATES OF AMERICA, PETITIONER, *against* AMERICAN-ASIATIC STEAMSHIP COMPANY AND OTHERS, New York & Oriental Steamship Company (Ltd.), impleaded.	In Equity.

Answer of New York & Oriental Steamship Company (Ltd.).

New York & Oriental Steamship Co., Limited, a corporation organized and existing under the laws of the Kingdom of Great

Britain and Ireland, a citizen of said Kingdom, now, and at all times hereafter, saving to itself all and all manner of benefit of exception, or otherwise, that can or may be taken to the many errors, uncertainties, and imperfections in the amended petition hereinafter called the "petition," herein, and to all or some of the subject matter thereof, for answer to said petition, or to so much of it as this defendant is advised it is material and necessary for it to answer, respectfully shows to this court as follows:

I.

Description of the defendants and of steamship lines conducted by them.

311 1. On information and belief, this defendant admits the allegations contained in subdivisions (a), (b), and (d) of paragraph 1 of Article I of the petition.

It is not sufficiently informed to make answer to subdivisions (c) or (e) of the petition.

2. On information and belief, it admits that the Anglo-American Oil Company (Ltd.), which has an office in London, has maintained a line of steamships between New York and points in the East, and that George W. Pitou was, at one time, the New York agent of said line.

It is not sufficiently informed as to the other allegations contained in paragraph 2 of Article I of the petition to make answer thereto.

3. On information and belief, it admits the allegations contained in subdivisions (a), (b), and (f).

It is not sufficiently informed as to the other allegations contained in paragraph 3 of Article I of the petition to make answer thereto.

4. On information and belief, it admits that from 1903 a line of steamships, known as the American-Oriental Line, has been maintained as a carrier of freight between New York and the Far East, and that Howard Houlder and Partners (Inc.) and Houlder, Weir & Boyd (Inc.) have acted as managers of said line in New York; that William Boyd and Robert A. Sewell are residents of New York City and have been connected in some way with Howard Houlder & Partners (Inc.) and with Houlder, Weir & Boyd (Inc.), but it is not sufficiently informed as to the other matters alleged in paragraph 4 of Article I of the petition to make answer thereto.

5. It admits the allegations contained in subdivisions (d1), (e), (f), (g), and (h) of paragraph 5 of Article I of the petition.

312 It admits the allegations contained in subdivision (e2) of paragraph 5 of Article I of the petition, except that, on information and belief, it denies that Gallatley, Hankey & Company is a limited company.

On information and belief, it denies the allegations contained in subdivision (e1) of paragraph 5 of Article I of the petition.

On information and belief, it admits that Barber & Company (Inc.) is a corporation with an office in New York City. That

Rankin, Gilmore & Company (Ltd.) is a corporation organized under the laws of the Kingdom of Great Britain, with a principal office at Liverpool, England, and that Dodwell & Company (Inc.) is a corporation organized under the laws of the Kingdom of Great Britain, having its principal office at London, England, and branch offices at Hongkong, Shanghai, and Yokohama.

It is not sufficiently informed as to the other allegations contained in paragraph 5 of Article I of the petition to make answer thereto.

6. On information and belief, it admits that Bucknall Steamship Lines (Limited) is a British corporation, with an office in London, and that it has for several years maintained a line of steamships known as American Manchurian Line between New York and the Far East, and that Messrs. Skeffington S. Norton, Joseph T. Lilly, and Edward N. Norton, composing the firm of Norton & Son, have acted as the agents of said line in New York.

As to the other allegations of paragraph 6 of Article I of the petition it is not sufficiently informed to make answer thereto.

313

II.

Denial of combination and conspiracy.

It admits that the defendants herein, or some of them, are engaged in the foreign trade and commerce of the United States and are particularly engaged as carriers of freight for hire between ports on the eastern coast of the United States and ports in the Philippine Islands, in China and Japan, and in other countries in the Far East. It denies that in respect to said trade and commerce the defendants are or ever have been violating the provisions of the act of Congress passed July 2, 1890, entitled "An act to protect trade and commerce against unlawful restraints and monopolies" in the respects mentioned in Article II of the petition or in any respect whatsoever. It denies that it has any knowledge or information sufficient to form a belief as to the purpose or object of this proceeding, except so far as it may appear from the allegations of the petition itself. And it denies each and every other allegation contained in Article II of the petition.

III.

As to the description of the trade and commerce in which defendants are engaged.

It denies that the freight routes between the United States and points in the Far East are correctly described in Article III of the petition, but on the contrary it says that in addition to the routes therein described there is a route from Atlantic coast ports around the Cape of Good Hope, and there is a route from Atlantic
314 coast ports to Galveston, Texas, thence by rail to the Pacific

Ocean and the Far East; and there are other routes. Moreover, heavy shipments are made from the United States to the Far East by way of Europe, the goods being carried by trans-Atlantic steamships to European ports and there transshipped on steamships which pass through the Mediterranean and the Suez Canal.

It denies that since 1903 the only steamship lines engaged in the traffic from the Atlantic coast of the United States to the Far East have been operated by the defendants, but, on the contrary, it says that a large proportion of the freight shipped from the Atlantic coast of the United States to the Far East has been carried in vessels owned and operated by persons other than the defendants. It admits that each of the defendant lines engaged in said traffic has at all times maintained regular sailings between the port of New York and various Far Eastern ports. It denies that during said period no other port except New York on the Atlantic coast of the United States has been reached regularly by any lines, and it admits that so far as it is aware no through rates are made with railroads running to New York, and that the rates charged by each of the defendant steamship lines are all-water rates between New York and Far Eastern ports.

IV.

Denial of alleged manner and means of accomplishing unlawful combination and conspiracy.

1. As to eastward agreement.

315 It denies that in furtherance of any combination or conspiracy, or as a part thereof, the defendants mentioned in subdivision 1 of Article IV of the petition entered into the agreement annexed to the petition and marked "Exhibit 1," or any agreement whatsoever, but it admits that on or about April 13, 1905, the defendants mentioned in paragraph 1 of Article IV of the petition executed at London a written agreement, whereof Exhibit 1 annexed to the petition purports to be a copy. It admits that said agreement was put into effect by the parties thereto and except as modified has been kept in effect by them to the time of the filing of this petition. For the terms of said eastern agreement it begs leave to refer to the original thereof.

2. As to westward agreement.

It denies that in furtherance of any combination or conspiracy, or as a part thereof, the defendants mentioned in subdivision 2 of Article IV of the petition entered into the agreement annexed to the petition and marked "Exhibit 2," or any agreement whatsoever, but it admits that on or about April 13, 1905, the defendants mentioned in paragraph 2 of Article IV of the petition executed at London a written agreement whereof Exhibit 2 annexed to the petition purports to

be a copy. It admits that said agreement has been known by the parties thereto as the westward agreement, that it was put into effect by the parties thereto, and, except as modified, has been kept in effect by them to the time of the filing of this petition, and that the parties thereto have cooperated and acted together in the observance thereof as modified. For the terms of said westward agreement this defendant begs leave to refer to the original thereof.

316 3. As to pooling agreement.

This defendant denies each and every allegation contained in subdivision 3 of Article IV of the petition, except that it admits that a so-called pooling agreement was executed and put into effect except as modified.

4. As to pooling rules.

It admits that the pooling agreement above mentioned was modified from time to time, and that on January 1, 1907, a general revision of its terms was made and published in the form of a pamphlet entitled "Pooling Rules," and that Exhibit 4 annexed to the petition purports to be a copy of said pamphlet.

V.

As to acts done in furtherance of agreement.

1. As to conferences.

It denies that in furtherance of any combination or conspiracy whatsoever meetings or conferences of the defendants have been maintained, but it admits that in pursuance of the terms of the agreements hereinbefore mentioned there have been periodical meetings or conferences of certain of the defendants.

2. As to London conference.

It admits that from 1903 to the time of the filing of this petition certain meetings or conferences were held in London under the name of the London conference by representatives of certain of the defendant steamship lines mentioned in the petition. It denies that in furtherance of any combination or conspiracy such conference has
317 made, established, or revised schedules of sailings or performed any other acts which were in furtherance of a scheme of monopoly or tended to restrain trade and commerce or to bring about a monopoly of trade and commerce of any sort whatsoever.

3. As to New York conference.

It admits that from 1905 to the time of the filing of this petition certain meetings or conferences were held in the city of New York under the name of the New York conference by the representatives of

certain of the lines named in the petition; that at these meetings the defendants represented have from time to time agreed upon and established rates of freight to be charged by the lines engaged in traffic from New York to the Far East, and it says that the rates of freight so established have at all times been moderate and reasonable and have been fixed in competition with other steamship lines not parties to the agreements mentioned in the petition. It denies that the defendants have made contracts with individual shippers under which preferential rates have been granted to such shippers, or that they have established any preferential rate of freight.

4. As to Hongkong and Singapore conferences.

It admits that from 1905 to the time of the filing of this petition certain meetings or conferences known as the Hongkong and Singapore conferences, respectively, were held in the cities of Hongkong and Singapore, composed of representatives of certain of the lines mentioned in the petition; that the Hongkong conference established
the rates of freight to be charged by the various lines engaged
318 in traffic from points east of Singapore to the port of New
York, and the Singapore conference established the rates to be charged from the ports of Singapore and Penang to New York, but it denies that said conference established such rates in furtherance of any general scheme of conspiracy or monopoly whatsoever. It admits that the conferences at Hongkong and Singapore were maintained in accordance with the provisions of a westward agreement, but it denies that they were maintained in furtherance of any scheme of conspiracy or monopoly whatsoever.

Further answering, this defendant admits that the resolutions, acts, and determinations of the respective conferences have been acted upon by the defendants who were represented therein as binding upon them respectively.

Further answering, this defendant denies, upon information and belief, every other allegation contained in Article V of the petition.

VI.

As to the position of American-Manchurian Line.

On information and belief this defendant admits that in the year 1907 the American-Manchurian Line was established as an independent line by defendant Bucknall Steamship Line (Ltd.), and that said line was a competitor of the lines which were parties to certain of the written agreements mentioned in the petition, and that from January 1, 1908, and for some time thereafter, the American-Manchurian Line was represented at the meetings of the New York conference by Messrs. Norton & Son.

Further answering, this defendant says that it has no knowledge as to the other allegations of Article VI of the petition.

319

VII.

As to deferred rebates.

It denies the allegations contained in Article VIII of the petition.

VIII.

It denies each and every allegation contained in Article IX of the petition.

And it says that a large proportion of the shipments from the United States to the Far East are made on steamships not owned or controlled by the defendants; that large quantities of case oil are shipped by vessels not owned or controlled by the defendants; that many steamships in which the defendants have no interest carry large cargoes of steel products to the Far East; that shipments of phosphate and cotton to Japan are made by steamships not owned or controlled by the defendants; that the rates of freight charged by the defendant lines are fixed in competition not only with trans-Atlantic steamships which transship cargoes in the United Kingdom or the Continent of Europe to other vessels for transportation to the Far East, but also in competition with the transcontinental railways of the United States and steamships plying in the Pacific Ocean, and that such rates have been and are reasonable.

Further, this defendant says that it has never attempted to monopolize the traffic between the United States and the Far East, or any part thereof, and that such a monopoly is utterly unattainable.

320 Further answering, this defendant says that regular sailings, steady rates, and the ability to interchange contracts are of the greatest value to the merchants and manufacturers of the United States and tend to develop and increase trade between the United States and the Far East.

IX.

This defendant further avers that all agreements relative to any part of the trade referred to in the petition, which it has signed, have been made and delivered in Great Britain and have been and are valid by British law, and that none of such agreements have been put in effect in, nor have any acts been done by this defendant thereunder in the United States, in such manner as to constitute a violation of the laws of the United States.

X.

Prayer.

And forasmuch as this defendant has fully answered the petition, and has denied all manner of unlawful combination, conspiracy,

monopoly, or attempt to monopolize, with which it is charged in the petition, and is ready and willing to aver and prove, if there be any other matter in the petition material or necessary for this defendant to answer, which has not been well and sufficiently answered, admitted, avoided, or denied, that the same is not true to the knowl-
321 edge or belief of this defendant, it respectfully prays to be hence dismissed, with its reasonable costs in this behalf most wrongfully sustained.

New York, April 20, 1914.

NEW YORK & ORIENTAL STEAMSHIP CO. (LIMITED),
By CONVERS & KIRLIN, *Their Solicitors.*
CONVERS & KIRLIN,
Solicitors for New York & Oriental Steamship Co. (Limited), Defendant.

(Office and post-office address: 27 William Street, Borough of Manhattan, New York City.)

J. PARKER KIRLIN,
MARK W. MACLAY, Jr.,
Of Counsel.

[Filed, April 20th, 1914.]

322 In the District Court of the United States for the Southern District of New York.

THE UNITED STATES OF AMERICA, PETITIONER,
against
AMERICAN-ASIATIC STEAMSHIP COMPANY & OTHERS, Prince Line (Limited), impleaded. } In Equity.

Answer of Prince Line (Ltd.).

Prince Line (Limited), a corporation organized and existing under the laws of the Kingdom of Great Britain and Ireland, a citizen of said Kingdom, now and at all times hereafter saving to itself all and all manner of benefit of exception or otherwise that can or may be taken to the many errors, uncertainties, and imperfections in the amended petition hereinafter called the "petition" herein, and to all or some of the subject matter thereof, for answer to said petition, or to so much of it as this defendant is advised it is material and necessary for it to answer, respectfully shows to this court as follows:

I.

Description of the defendants and of steamship lines conducted by them.

1. On information and belief, this defendant admits the allegations contained in subdivisions (a), (b), and (d) of paragraph 1 of Article I of the petition.

323 It is not sufficiently informed to make answer to subdivisions (c) or (e).

2. On information and belief, it admits that the Anglo-American Oil Company, which has an office in London, has maintained a line of steamships between New York and ports in the East, and that George W. Pitou was at one time the New York agent of said line.

It is not sufficiently informed as to the other allegations contained in paragraph 2 of Article I of the petition to make answer thereto.

3. On information and belief, it admits the allegations contained in subdivisions (a) and (b) of paragraph 3 of Article I of the petition.

It is not sufficiently informed as to the other allegations contained in subdivisions (c), (e), and (f) of paragraph 3 of Article I of the petition to make answer thereto.

4. It admits the allegations contained in subdivisions (a1) and (a3) of paragraph 4 of Article I of the petition. It admits that Houlder, Weir & Partners (Inc.) and Houlder, Weir & Boyd (Inc.) have acted as managers of the American Oriental Line in New York.

It is not sufficiently informed as to the other matters alleged in paragraph 4 of Article I of the petition to make answer thereto.

5. On information and belief, it admits that the Barber Line has been engaged in traffic between New York and the Far East, and that Barber & Company (Inc.) has been the New York agent of said line, and that Dodwell & Company (Ltd.) has been the loading agent of said line in Hongkong. Further it admits that Barber & Company (Inc.) has an office in New York City and that Messrs. Herbert Barber, James Barber, and A. L. Hautman have been connected officially with the said line. On information and
324 belief; it denies that Gellatley, Haukey & Co. is a corporation.

It is not sufficiently informed as to the other allegations contained in paragraph 5 of Article I of the petition to make answer thereto.

6. On information and belief it admits that Bucknall Steamship Lines is a British corporation, with an office in London, and that it has for several years maintained a line of steamships known as American-Manchurian Line between New York and the Far East, and that Messrs. Skeffington S. Norton, Joseph T. Lilly, and Edward N. Norton, composing the firm of Norton & Son, have acted as the agents of said line in New York.

As to the other allegations of paragraph 6 of Article I of the petition, it is not sufficiently informed to make answer thereto.

II.

Denial of combination and conspiracy.

It admits that the defendants herein, or some of them, are engaged in the foreign trade and commerce of the United States, and are particularly engaged as carriers of freight for hire between ports on

the eastern coast of the United States and ports in the Philippine Islands, in China and Japan, and in other countries in the Far East. It denies that in respect to said trade and commerce the defendants are or ever have been violating the provisions of the act of Congress passed July 2, 1890, entitled "An act to protect trade and commerce against unlawful restraints and monopolies," in the respects mentioned in Article II of the petition or in any respect whatso-
325 ever. It denies that it has any knowledge or information sufficient to form a belief as to the purpose or object of this proceeding, except so far as it may appear from the allegations of the petition itself. And it denies each and every other allegation contained in Article II of the petition.

III.

As to the description of the trade and commerce in which defendants are engaged.

It denies that the freight routes between the United States and points in the Far East are correctly described in Article III of the petition, but on the contrary it says that in addition to the routes therein described there is a route from Atlantic coast ports round the Cape of Good Hope, and there is a route from Atlantic coast ports to Galveston, Texas, thence by rail to the Pacific Ocean and the Far East; and there are other routes. Moreover, heavy shipments are made from the United States to the Far East by way of Europe, the goods being carried by trans-Atlantic steamships to European ports and there transshipped on steamships which pass through the Mediterranean and the Suez Canal.

It denies that since 1903 the only steamship lines engaged in the traffic from the Atlantic coast of the United States to the Far East have been operated by the defendants, but on the contrary, it says that a large proportion of the freight shipped from the Atlantic coast of the United States to the Far East has been carried in vessels owned and operated by persons other than the defendants. It
326 admits that each of the defendant lines engaged in said traffic has at all times maintained regular sailings between the port of New York and various Far Eastern ports. It denies that during said period no other port except New York on the Atlantic coast of the United States has been reached regularly by any lines, and it admits that, so far as it is aware, no through rates are made with railroads running to New York, and that the rates charged by each of the defendant steamships lines are all-water rates between New York and far eastern ports.

IV.

Denial of alleged manner and means of accomplishing unlawful combination and conspiracy.

1. As to eastward agreement.

It denies that in furtherance of any combination or conspiracy,

Article IV of the petition entered into the agreement annexed to the petition and marked "Exhibit 1," or any agreement whatsoever, but it admits that on or about April 13, 1905, the defendants mentioned in paragraph 1 of Article IV of the petition executed at London a written agreement, whereof Exhibit 1 annexed to the petition purports to be a copy. It admits that said agreement was put into effect by the parties thereto and except as modified has been kept in effect by them to the time of the filing of this petition. For the terms of said eastern agreement it begs leave to refer to the original thereof.

327 2. As to westward agreement.

It denies that in furtherance of any combination or conspiracy, or as a part thereof, the defendants mentioned in subdivision 2 of Article IV of the petition entered into the agreement annexed to the petition and marked "Exhibit 2," or any agreement whatsoever, but it admits that on or about April 13, 1905, the defendants mentioned in paragraph 2 of Article IV of the petition executed at London a written agreement, whereof Exhibit 2 annexed to the petition purports to be a copy. It admits that said agreement has been known by the parties thereto as the westward agreement, that it was put into effect by the parties thereto and, except as modified, has been kept in effect by them to the time of the filing of this petition, and that the parties thereto have cooperated and acted together in the observance thereof as modified. For the terms of said westward agreement this defendant begs leave to refer to the original thereof.

3. As to pooling agreement.

This defendant denies each and every allegation contained in subdivision 3 of Article IV of the petition, except that it admits that a so-called pooling agreement was executed and put into effect except as modified.

4. As to pooling rules.

It admits that the pooling agreement above-mentioned was modified from time to time and that on January 1, 1907, a general revision of its terms was made and published in the form of a pamphlet entitled "Pooling Rules," and that Exhibit 4 annexed to the petition purports to be a copy of said pamphlet.

328 V.

As to acts done in furtherance of agreement.

1. As to conferences.

It denies that in furtherance of any combination or conspiracy whatsoever meetings or conferences of the defendants have been maintained, but it admits that in pursuance of the terms of the agreements hereinbefore mentioned there have been periodical meetings or conferences of certain of the defendants.

2. As to London conference.

It admits that from 1903 to the time of the filing of this petition certain meetings or conferences were held in London under the name of the London conference by representatives of certain of the defendant steamship lines mentioned in the petition. It denies that in furtherance of any combination or conspiracy such conference has made, established, or revised schedules of sailings or performed any other acts which were in furtherance of a scheme of monopoly or tended to restrain trade and commerce or to bring about a monopoly of trade and commerce of any sort whatsoever.

3. As to New York conference.

It admits that from 1905 to the time of the filing of this petition certain meetings or conferences were held in the city of New York under the name of the New York conference by the representatives of certain of the lines named in the petition; that at these meetings the defendants represented have from time to time agreed upon and established rates of freight to be charged by the lines engaged
329 in traffic from New York to the Far East, and it says that the rates of freight so established have at all times been moderate and reasonable and have been fixed in competition with other steamship lines not parties to the agreements mentioned in the petition. It denies that the defendants have made contracts with individual shippers under which preferential rates have been granted to such shippers, or that they have established any preferential rate of freight.

4. As to Hongkong and Singapore conferences.

It admits that from 1905 to the time of the filing of this petition certain meetings or conferences, known as the Hongkong and Singapore conferences, respectively, were held in the cities of Hongkong and Singapore, composed of representatives of certain of the lines mentioned in the petition; that the Hongkong conference established the rates of freight to be charged by the various lines engaged in traffic from points east of Singapore to the port of New York, and the Singapore conference established the rates to be charged from the ports of Singapore and Penang to New York, but it denies that said conferences established such rates in furtherance of any general scheme of conspiracy or monopoly whatsoever. It admits that the conferences at Hongkong and Singapore were maintained in accordance with the provisions of a westward agreement, but it denies that they were maintained in furtherance of any scheme of conspiracy or monopoly whatsoever.

Further answering, this defendant admits that the resolutions, acts, and determinations of the respective conferences have been acted upon by the defendants who were represented therein as binding upon them, respectively.

330 Further answering, this defendant denies, upon information and belief, every other allegation contained in Article V of the petition.

VI.

As to the position of the American-Manchurian Line.

On information and belief this defendant admits that in the year 1907 the American-Manchurian Line was established as an independent line by defendant Bucknall Steamship Line (Ltd.), and that said line was a competitor of the lines which were parties to certain of the written agreements mentioned in the petition, and that from January 1, 1908, and for some time thereafter, the American-Manchurian Line was represented at the meetings of the New York conference by Messrs. Norton & Son.

Further answering, this defendant says that it has no knowledge as to the other allegations of Article VI of the petition.

VII.

As to deferred rebates.

It denies the allegations contained in Article VIII of the petition.

VIII.

It denies each and every allegation contained in Article IX of the petition.

And it says that a large proportion of the shipments from the United States to the Far East are made on steamships not
331 owned or controlled by the defendants; that large quantities of case oil are shipped by vessels not owned or controlled by the defendants; that many steamships in which the defendants have no interest carry large cargoes of steel products to the Far East; that shipments of phosphate and cotton to Japan are made by steamships not owned or controlled by the defendants; that the rates of freight charged by the defendant lines are fixed in competition not only with trans-Atlantic steamships which transship cargoes in the United Kingdom or the Continent of Europe to other vessels for transportation to the Far East, but also in competition with the transcontinental railways of the United States and steamships plying in the Pacific Ocean and that such rates have been and are reasonable.

Further, this defendant says that it has never attempted to monopolize the traffic between the United States and the Far East, or any part thereof, and that such a monopoly is utterly unattainable.

Further answering, this defendant says that regular sailings, steady rates, and the ability to interchange contracts are of the greatest value to the merchants and manufacturers of the United States and tend to develop and increase trade between the United States and the Far East.

IX.

This defendant further avers that all agreements relative to any part of the trade referred to in the petition, which it has signed, have been made and delivered in Great Britain and have been and are valid by British law, and that none of such agreements have been put in effect in, nor have any acts been done by this defendant
332 thereunder in the United States, in such manner as to constitute a violation of the laws of the United States.

X.

Prayer.

And forasmuch as this defendant has fully answered the petition, and has denied all manner of unlawful combination, conspiracy, monopoly, or attempt to monopolize, with which it is charged in the petition, and is ready and willing to aver and prove, if there be any other matter in the petition material or necessary for this defendant to answer, which has not been well and sufficiently answered, admitted, avoided, or denied, that the same is not true to the knowledge or belief of this defendant, it respectfully prays to be hence dismissed, with its reasonable costs in this behalf most wrongfully sustained.

New York, April 20th, 1914.

PRINCE LINE (LIMITED),
By CONVERS & KIRLIN,
Their Solicitors.
CONVERS & KIRLIN,
Solicitors for Prince Line (Limited), Defendant.

J. PARKER KIRLIN,
MARK W. MACLAY, Jr.,
Of Counsel.

[Filed April 20th, 1914.]

333 In the United States District Court for the Southern District of New York.

THE UNITED STATES OF AMERICA, PETITIONER,
vs.
AMERICAN ASIATIC STEAMSHIP COMPANY AND others, defendants.
Equity, No. E 9–117.

This replicant, United States of America, saving and reserving to itself all and all manner of advantages of exception which may be had and taken to the manifold errors, uncertainties, and insufficiencies of the answer of the defendant, American-Asiatic Steamship

Company, for replication thereunto saith that it doth and will aver, maintain, and prove its said petition to be true, certain, and sufficient in the law to be answered unto by the said defendant, and that the answer of the said defendant is very uncertain, evasive, and insufficient in law to be replied unto by this replicant; without that, that any other matter or thing in the said answer contained, material or effectual in the law to be replied unto, and not herein and hereby well and sufficiently replied unto, confessed or avoided, traversed or denied, is true; all which matters and things this replicant is ready to aver, maintain, and prove as this honorable court shall direct, and humbly prays as in and by its said petition it hath already prayed.

HENRY A. WISE,
United States Attorney.

Dated.

(Endorsed:) U. S. District Court, S. D. of N. Y. Filed Dec. 2, 1912.

334 In the United States District Court for the Southern District of New York.

THE UNITED STATES OF AMERICA, PETITIONER,
vs.
AMERICAN ASIATIC STEAMSHIP COMPANY AND others, defendants.
} Equity, No. E 9–117

This replicant, United States of America, saving and reserving to itself all and all manner of advantages of exception which may be had and taken to the manifold errors, uncertainties, and insufficiencies of the answer of the defendant, William Barclay Parsons, for replication thereunto saith that it doth and will aver, maintain, and prove its said petition to be true, certain, and sufficient in the law to be answered unto by the said defendant, and that the answer of the said defendant is very uncertain, evasive, and insufficient in law to be replied unto by this replicant; without that, that any other matter or thing in the said answer contained, material or effectual in the law to be replied unto, and not herein and hereby well and sufficiently replied unto, confessed or avoided, traversel or denied, is true; all which matters and things this replicant is ready to aver, maintain, and prove as this honorable court shall direct and humbly prays as in and by its said petition it hath already prayed.

HENRY A. WISE,
United States Attorney.

Dated.

(Endorsed:) U. S. District Court, S. D. of N. Y. Filed Dec. 2 1912.

335 In the United States District Court for the Southern District of New York.

THE UNITED STATES OF AMERICA, PETITIONER,
vs.
AMERICAN ASIATIC STEAMSHIP COMPANY AND others, defendants.
} Equity, No. E 9–117.

This replicant, United States of America, saving and reserving to itself all and all manner of advantages of exception which may be had and taken to the manifold errors, uncertainties, and insufficiencies of the answer of the defendant, R. H. Blake, for replication thereunto saith that it doth and will aver, maintain, and prove its said petition to be true, certain, and sufficient in the law to be answered unto by the said defendant, and that the answer of the said defendant is very uncertain, evasive, and insufficient in law to be replied unto by this replicant; without that, that any other matter or thing in the said answer contained, material or effectual in the law to be replied unto, and not herein and hereby well and sufficiently replied unto, confessed or avoided, traversed or denied, is true; all which matters and things this replicant is ready to aver, maintain, and prove as this honorable court shall direct and humbly prays as in and by its said petition it hath already prayed.

HENRY A. WISE,
United States Attorney.

Dated.

(Endorsed:) U. S. District Court, S. D. of N. Y. Filed Dec. 2, 1912.

336 In the United States District Court for the Southern District of New York.

THE UNITED STATES OF AMERICA, PETITIONER,
vs.
AMERICAN ASIATIC STEAMSHIP COMPANY AND others, defendants.
} Equity, No. E 9–117.

This replicant, United States of America, saving and reserving to itself all and all manner of advantages of exception which may be had and taken to the manifold errors, uncertainties, and insufficiencies of the answer of the defendant, Hamburg-Americanische Packetfahrt Actien-Gesellschaft, for replication thereunto saith that it doth and will aver, maintain, and prove its said petition to be true, certain, and sufficient in the law to be answered unto by the said defendant, and that the answer of the said defendant is very uncertain, evasive, and insufficient in law to be replied unto by this replicant; without that, that any other matter or thing in the said answer contained, material or effectual in the law to be replied unto, and not herein

and hereby well and sufficiently replied unto, confessed or avoided, traversed or denied, is true; all which matters and things this replicant is ready to aver, maintain, and prove as this honorable court shall direct, and humbly prays as in and by its said petition it hath already prayed.

HENRY A. WISE,
United States Attorney.

Dated.
(Endorsed:) U. S. District Court, S. D. of N. Y. Filed Dec. 2, 1912.

337 In the United States District Court for the Southern District of New York.

THE UNITED STATES OF AMERICA, PETITIONER,
vs.
AMERICAN ASIATIC STEAMSHIP COMPANY AND others, defendants.
} Equity, No. E 9–117.

This replicant, United States of America, saving and reserving to itself all and all manner of advantages of exception which may be had and taken to the manifold errors, uncertainties, and insufficiencies of the answer of the defendant, Paul Gottheil, for replication thereunto saith that it doth and will aver, maintain, and prove its said petition to be true, certain, and sufficient in the law to be answered unto by the said defendant, and that the answer of the said defendant in very uncertain, evasive, and insufficient in law to be replied unto by this replicant; without that, that any other matter or thing in the said answer contained, material or effectual in the law to be replied unto, and not herein and hereby well and sufficiently replied unto, confessed or avoided, traversed or denied, is true; all which matters and things this replicant is ready to aver, maintain, and prove as this honorable court shall direct, and humbly prays as in and by its said petition it hath already prayed.

HENRY A. WISE,
United States Attorney.

Dated.
(Endorsed:) U. S. District Court, S. D. of N. Y. Filed Dec. 2, 1912.

338 In the United States District Court for the Southern District of New York.

THE UNITED STATES OF AMERICA, PETITIONER,
vs.
AMERICAN ASIATIC STEAMSHIP COMPANY AND others, defendants.
} Equity, No. E 9–117.

This replicant, United States of America, saving and reserving to itself all and all manner of advantages of exception which may be

had and taken to the manifold errors, uncertainties, and insufficiencies of the answer of the defendant, William Voelkens, for replication thereunto saith that it doth and will aver, maintain, and prove its said petition to be true, certain, and sufficient in the law to be answered unto by the said defendant, and that the answer of the said defendant is very uncertain, evasive, and insufficient in law to be replied unto by this replicant; without that, that any other matter or thing in the said answer contained, material or effectual in the law to be replied unto, and not herein and hereby well and sufficiently replied unto, confessed or avoided, traversed or denied, is true; all of which matters and things this replicant is ready to aver, maintain, and prove as this honorable court shall direct, and humbly prays as in and by its said petition it hath already prayed.

HENRY A. WISE,
United States Attorney.

Dated.

(Endorsed:) U. S. District Court, S. D. of N. Y. Filed Dec. 2, 1912.

339 In the United States District Court for the Southern District of New York.

THE UNITED STATES OF AMERICA, PETITIONER,
vs.
AMERICAN ASIATIC STEAMSHIP COMPANY AND others, defendants.
} Equity, No. E 9–117.

This replicant, United States of America, saving and reserving to itself all and all manner of advantages of exception which may be had and taken to the manifold errors, uncertainties, and insufficiencies of the answer of the defendant, Thomas A. Sparks, for replication thereunto saith that it doth and will aver, maintain, and prove its said petition to be true, certain, and sufficient in the law to be answered unto by the said defendant, and that the answer of the said defendant is very uncertain, evasive, and insufficient in law to be replied unto by this replicant; without that, that any other matter or thing in the said answer contained, material or effectual in the law to be replied unto, and not herein and hereby well and sufficiently replied unto, confessed or avoided, traversed or denied, is true; all which matters and things this replicant is ready to aver, maintain, and prove as this honorable court shall direct, and humbly prays as in and by its said petition it hath already prayed.

HENRY A. WISE,
United States Attorney.

Dated.

(Endorsed:) U. S. District Court, S. D. of N. Y. Filed Dec. 2, 1912.

340 In the United States District Court for the Southern District of New York.

THE UNITED STATES OF AMERICA, PETITIONER,
vs.
AMERICAN ASIATIC STEAMSHIP COMPANY AND others, defendants.
} Equity, No. E 9–117.

This replicant, United States of America, saving and reserving to itself all and all manner of advantages of exception which may be had and taken to the manifold errors, uncertainties, and insufficiencies of the answer of the defendant, H. W. Voelkens, for replication thereunto saith that it doth and will aver, maintain, and prove its said petition to be true, certain, and sufficient in the law to be answered unto by the said defendant, and that the answer of the said defendant is very uncertain, evasive, and insufficient in law to be replied unto by this replicant, without that, that any other matter or thing in the said answer contained, material or effectual in the law to be replied unto, and not herein and hereby well and sufficiently replied unto, confessed or avoided, traversed or denied, is true; all of which matters and things this replicant is ready to aver, maintain, and prove as this honorable court shall direct and humbly prays as in and by its said petition it hath already prayed.

HENRY A. WISE,
United States Attorney.

Dated.

341 In the United States District Court for the Southern District of New York.

THE UNITED STATES OF AMERICA, PETITIONER,
vs.
AMERICAN ASIATIC STEAMSHIP COMPANY AND others, defendants.
} Equity, No. E 9–117.

This replicant, United States of America, saving and reserving to itself all and all manner of advantages of exception which may be had and taken to the manifold errors, uncertainties, and insufficiencies of the answer of the defendant, W. L. Walter, for replication thereunto saith that it doth and will aver, maintain, and prove its said petition to be true, certain, and sufficient in the law to be answered unto by the said defendant, and that the answer of the said defendant is very uncertain, evasive, and insufficient in law to be replied unto by this replicant, without that, that any other matter or thing in the said answer contained, material or effectual in the law to be replied unto, and not herein and hereby well and sufficiently replied unto, confessed or avoided, traversed or denied, is true; all of which matters and things this replicant is ready to aver, maintain, and prove as this

honorable court shall direct and humbly prays as in and by its said petition it hath already prayed.

HENRY A. WISE,
United States Attorney.

Dated.

(Endorsed:) U. S. District Court, S. D. of N. Y. Filed Dec. 2, 1912.

342 In the United States District Court for the Southern District of New York.

THE UNITED STATES OF AMERICA, PETITIONER,
vs.
AMERICAN ASIATIC STEAMSHIP COMPANY AND others, defendants.
} Equity, No. E 9–117.

This replicant, United States of America, saving and reserving to itself all and all manner of advantages of exception which may be had and taken to the manifold errors, uncertainties, and insufficiencies of the answer of the defendant, R. H. Goodwin, for replication thereunto saith that it doth and will ever aver, maintain, and prove its said petition to be true, certain, and sufficient in the law to be answered unto by the said defendant, and that the answer of the said defendant is very uncertain, evasive, and insufficient in law to be replied unto by this replicant; without that, that any other matter or thing in the said answer contained, material or effectual in the law to be replied unto, confessed or avoided, traversed or denied, is true; and all which matters and things this replicant is ready to aver, maintain, and prove as this honorable court shall direct and humbly prays as in and by its said petition it hath already prayed.

HENRY A. WISE,
United States Attorney.

Dated.

(Endorsed:) U. S. District Court, S. D. of N. Y. Filed Dec. 2, 1912.

343 In the United States District Court for the Southern District of New York.

THE UNITED STATES OF AMERICA, PETITIONER,
vs.
AMERICAN ASIATIC STEAMSHIP COMPANY AND others, defendants.
} Equity, No. E 9–117.

This replicant, United States of America, saving and reserving to itself all and all manner of advantages of exception which may be had and taken to the manifold errors, uncertainties, and insufficiencies of the answer of the defendant Howard, Houlder & Part-

ners (Ltd.) for replication thereunto saith that it doth and will aver, maintain, and prove its said petition to be true, certain, and sufficient in the law to be answered unto by the said defendant, and that the answer of the said defendant is very uncertain, evasive, and insufficient in law to be replied unto by this replicant; without that, that any other matter or thing in the said answer contained, material or effectual in the law to be replied unto, and not herein and hereby well and sufficiently replied unto, confessed or avoided, traversed or denied, is true; all which matters and things this replicant is ready to aver, maintain, and prove as this honorable court shall direct and humbly prays as in and by its said petition it hath already prayed.

HENRY A. WISE,
United States Attorney.

Dated.

(Endorsed:) U. S. District Court, S. D. of N. Y. Filed Dec. 2, 1912.

344 In the United States District Court for the Southern District of New York.

THE UNITED STATES OF AMERICA, PETITIONER,
vs.
AMERICAN ASIATIC STEAMSHIP COMPANY AND others, defendants.
} Equity, No. E 9–117.

This replicant, United States of America, saving and reserving to itself all and all manner of advantages of exception which may be had and taken to the manifold errors, uncertainties, and insufficiencies of the answer of the defandant, Houlder, Middleton & Company (Limited), for replication thereunto saith that it doth and will aver, maintain, and prove its said petition to be true, certain, and sufficient in the law to be answered unto by the said defendant, and that the answer of the said defendant is very uncertain, evasive, and insufficient in law to be replied unto by this replicant; without that, that any other matter or thing in the said answer contained, material or effectual in the law to be replied unto, and not herein and hereby well and sufficiently replied unto, confessed or avoided, traversed or denied, is true; all of which matters and things this replicant is ready to aver, maintain, and prove as this honorable court shall direct and humbly prays as in and by its said petition it hath already prayed.

United States Attorney.

Dated.

(Endorsed:) U. S. District Court, S. D. of N. Y. Filed Dec. 2, 1912.

345 In the United States District Court for the Southern District of New York.

THE UNITED STATES OF AMERICA, PETITIONER,
vs.
AMERICAN ASIATIC STEAMSHIP COMPANY AND others, defendants.
Equity, No. E 9–117.

This replicant, United States of America, saving and reserving to itself all and all manner of advantages of exception which may be had and taken to the manifold errors, uncertainties, and insufficiencies of the answer of the defendant, William Boyd, for replication thereunto saith that it doth and will aver, maintain, and prove its said petition to be true, certain, and sufficient in the law to be answered unto by this said defendant, and that the answer of the said defendant is very uncertain, evasive, and insufficient in law to be replied unto by this replicant; without that, that any other matter or thing in the said answer contained, material or effectual in the law to be replied unto, and not herein and hereby well and sufficiently replied unto, confessed or avoided, traversed or denied, is true; all which matters and things this replicant is ready to aver, maintain, and prove as this honorable court shall direct and humbly prays as in and by its said petition it hath already prayed.

United States Attorney.

Dated.

(Endorsed:) U. S. District Court, S. D. of N. Y. Filed Dec. 2, 1912.

346 In the United States District Court for the Southern District of New York.

THE UNITED STATES OF AMERICA, PETITIONER,
versus
AMERICAN ASIATIC STEAMSHIP COMPANY, AND others, defendants.
Equity, No. E 9–117.

This replicant, United States of America, saving and reserving to itself all and all manner of advantages of exception which may be had and taken to the manifold errors, uncertainties, and insufficiencies of the answer of the defendant, Robert A. Sewall, for replication thereunto saith that it doth and will aver, maintain, and prove its said petition to be true, certain and sufficient in the law to be answered unto by the said defendant, and that the answer of the said defendant is very uncertain, evasive, and insufficient in law to be replied unto by this replicant; without that, that any other matter or thing in the said answer contained, material or effectual in the law to be replied unto, and not herein and hereby well and sufficiently replied unto, confessed, or avoided, traversed, or denied, is true; all

which matters and things this replicant is ready to aver, maintain, and prove as this honorable court shall direct and humbly prays as in and by its said petition it hath already prayed.

United States Attorney.

Dated.

(Endorsed:) U. S. District Court, S. D. of N. Y. Filed Dec. 2, 1912.

347 In the United States District Court for the Southern District of New York.

THE UNITED STATES OF AMERICA, PETITIONER,
vs.
AMERICAN ASIATIC STEAMSHIP COMPANY, AND others, defendants.
Equity, No. E 9–117.

This replicant, United States of America, saving and reserving to itself all and all manner of advantages of exception which may be had and taken to the manifold errors, uncertainties, and insufficiencies of the answer of the defendant, Barber & Company (Incorporated), for replication thereunto saith that it doth and will aver, maintain, and prove its said petition to be true, certain, and sufficient in the law to be answered unto by the said defendant, and that the answer of the said defendant is very uncertain, evasive, and insufficient in law to be replied unto by this replicant; without that, that any other matter or thing in the said answer contained, material or effectual in the law to be replied unto, and not herein and hereby well and sufficiently replied unto, confessed or avoided, traversed or denied, is true; all which matters and things this replicant is ready to aver, maintain, and prove as this honorable court shall direct and humbly prays as in and by its said petition it hath already prayed.

HENRY A. WISE,
United States Attorney.

Dated New York.

(Endorsed:) U. S. District Court, S. D. of N. Y. Filed Dec. 2, 1912.

348 In the United States District Court for the Southern District of New York.

THE UNITED STATES OF AMERICA, PETITIONER,
vs.
AMERICAN ASIATIC STEAMSHIP COMPANY AND others, defendants.
Equity, No. E 9–117.

This replicant, United States of America, saving and reserving to itself all and all manner of advantages of exception which may be

had and taken to the manifold errors, uncertainties, and insufficiencies of the answer of the defendant, Lancashire Shipping Company (Limited), for replication thereunto saith that it doth and will aver, maintain, and prove its said petition to be true, certain, and sufficient in the law to be answered unto by the said defendant, and that the answer of the said defendant is very uncertain, evasive, and insufficient in law to be replied unto by this replicant; without that, that any other matter or thing in the said answer contained, material or effectual in the law to be replied unto, confessed or avoided, traversed or denied, is true; all which matters and things this replicant is ready to aver, maintain, and prove as this honorable court shall direct, and humbly prays as in and by its said petition it hath already prayed.

HENRY A. WISE,
United States Attorney.

Dated.

(Endorsed:) U. S. District Court, S. D. of N. Y. Filed Dec. 2, 1912.

349 In the United States District Court for the Southern District of New York.

THE UNITED STATES OF AMERICA, PETITIONER,
vs.
AMERICAN ASIATIC STEAMSHIP COMPANY AND others, defendants.
} Equity, No. E 9–117.

This replicant, United States of America, saving and reserving to itself all and all manner of advantages of exception which may be had and taken to the manifold errors, uncertainties, and insufficiencies of the answer of the defendant, Rankin, Gilmour & Company, for replication thereunto saith that it doth and will aver, maintain, and prove its said petition to be true, certain, and sufficient in the law to be answered unto by the said defendant, and that the answer of the said defendant is very uncertain, evasive, and insufficient in law to be replied unto by this replicant; without that, that any other matter or thing in the said answer contained, material or effectual in the law to be replied unto, confessed or avoided, traversed or denied, is true; all which matters and things this replicant is ready to aver, maintain, and prove as this honorable court shall direct and humbly prays as in and by its said petition it hath already prayed.

HENRY A. WISE,
United States Attorney.

Dated.

(Endorsed:) U. S. District Court, S. D. of N. Y. Filed Dec. 2, 1912.

350 In the United States District Court for the Southern District of New York.

THE UNITED STATES OF AMERICA, PETITIONER,
vs.
AMERICAN ASIATIC STEAMSHIP COMPANY AND others, defendants.
Equity, No. E 9–117.

This replicant, United States of America, saving and reserving to itself all and all manner of advantages of exception which may be had and taken to the manifold errors, uncertainties, and insufficiencies of the answer of the defendant Dodwell & Company (Limited) for replication thereunto saith that it doth and will aver, maintain, and prove its said petition to be true, certain, and sufficient in the law to be answered unto by the said defendant, and that the answer of the said defendant is very uncertain, evasive, and insufficient in law to be replied unto by this replicant; without that, that any other matter or thing in the said answer contained, material or effectual in the law to be replied unto, and not herein and hereby well and sufficiently replied unto, confessed or avoided, traversed or denied, is true; all which matters and things this replicant is ready to aver, maintain, and prove as this honorable court shall direct and humbly prays as in and by its said petition it hath already prayed.

HENRY A. WISE,
United States Attorney.

Dated.

(Endorsed:) U. S. District Court, S. D. of N. Y. Filed Dec. 2, 1912.

351 In the United States District Court for the Southern District of New York.

THE UNITED STATES OF AMERICA, PETITIONER,
vs.
AMERICAN ASIATIC STEAMSHIP COMPANY AND others, defendants.
Equity, No. E 9–117.

This replicant, United States of America, saving and reserving to itself all and all manner of advantages of exception which may be had and taken to the manifold errors, uncertainties, and insufficiencies of the answer of the defendant Herbert Barber for replication thereunto saith that it doth and will aver, maintain, and prove its said petition to be true, certain, and sufficient in the law to be answered unto by the said defendant, and that the answer of the said defendant is very uncertain, evasive, and insufficient in law to be replied unto by this replicant; without that, that any other matter or thing in the said answer contained, material or effectual in the law to be replied unto, and not here and hereby well and

sufficiently replied unto, confessed or avoided, traversed or denied, is true; all which matters and things this replicant is ready to aver, maintain, and prove as this honorable court shall direct and humbly prays as in and by its said petition it hath already prayed.

HENRY A. WISE,
United States Attorney.

Dated.

(Endorsed:) U. S. District Court, S. D. of N. Y. Filed Dec. 2, 1912.

352 In the United States District Court for the Southern District of New York.

THE UNITED STATES OF AMERICA, PETITIONER,
vs.
AMERICAN ASIATIC STEAMSHIP COMPANY and others, defendants.
} Equity, No. E 9–117.

This replicant, United States of America, saving and reserving to itself all and all manner of advantages of exception which may be had and taken to the manifold errors, uncertainties, and insufficiencies of the answer of the defendant, James Barber, for replication thereunto saith that it doth and will aver, maintain, and prove its said petition to be true, certain, and sufficient in the law to be answered unto by the said defendant, and that the answer of the said defendant is very uncertain, evasive, and insufficient in law to be replied unto by this replicant; without that, that any other matter or thing in the said answer contained, material or effectual in the law to be replied unto, and not herein and hereby well and sufficiently replied unto, confessed or avoided, traversed or denied, is true; all which matters and things this replicant is ready to aver, maintain, and prove as this honorable court shall direct and humbly prays as in and by its said petition it hath already prayed.

HENRY A. WISE,
United States Attorney.

Dated.

(Endorsed:) U. S. District Court, S. D. of N. Y. Filed Dec. 2, 1912.

353 In the United States District Court for the Southern District of New York

THE UNITED STATES OF AMERICA, PETITIONER,
vs.
AMERICAN ASIATIC STEAMSHIP COMPANY and others, defendants.
} Equity, No. E 9–117.

This replicant, United States of America, saving and reserving to itself all and all manner of advantages of exception which may be

had and taken to the manifold errors, uncertainties, and insufficiencies of the answer of the defendant, A. L. Hautman, for replication thereunto saith that it doth and will aver, maintain, and prove said petition to be true, certain, and sufficient in the law to be answered unto by the said defendant, and that the answer of the said defendant is very uncertain, evasive, and insufficient in law to be replied unto by this replicant; without that, that any other matter or thing in the said answer contained, material or effectual in the law to be replied unto, and not herein and hereby well and sufficiently replied unto, confessed or avoided, traversed or denied, is true; all which matters and things this replicant is ready to aver, maintain, and prove as this honorable court shall direct and humbly prays as in and by its said petition it hath already prayed.

HENRY A. WISE,
United States Attorney.

Dated.

(Endorsed:) U. S. District Court, S. D. of N. Y. Filed Dec. 2, 1912.

354 In the United States District Court for the Southern District of New York.

THE UNITED STATES OF AMERICA, PETITIONER,
vs.
AMERICAN ASIATIC STEAMSHIP COMPANY AND others, defendants.
} Equity, No. E 9–117.

This replicant, United States of America, saving and reserving to itself all and all manner of advantages of exception which may be had and taken to the manifold errors, uncertainties, and insufficiencies of the answer of the defendant, Bucknall Steamship Lines (Limited), for replication thereunto saith that it doth and will aver, maintain, and prove its said petition to be true, certain, and sufficient in the law to be answered unto by the said defendant, and that the answer of the said defendant is very uncertain, evasive, and insufficient in law to be replied unto by this replicant; without that, that any other matter or thing in the said answer contained, material or effectual in the law to be replied unto, and not herein and hereby well and sufficiently replied unto, confessed or avoided, traversed or denied, is true; all which matters and things this replicant is ready to aver, maintain, and prove as this honorablecourt shall direct, and humbly prays as in and by its said petition it hath already prayed.

HENRY A. WISE,
United States Attorney.

Dated.

(Endorsed:) U. S. District Court, S. D. of N. Y. Filed Dec. 2, 1912.

355 In the United States District Court for the Southern District of New York.

THE UNITED STATES OF AMERICA, PETITIONER,
vs.
AMERICAN ASIATIC STEAMSHIP COMPANY AND others, defendants.
Equity, No. E 9–117.

This replicant, United States of America, saving and reserving to itself all and all manner of advantages of exception which may be had and taken to the manifold errors, uncertainties, and insufficiencies of the answer of the defendant, Skeffington S. Norton, for replication thereunto saith that it doth and will aver, maintain, and prove its said petition to be true, certain, and sufficient in the law to be answered unto by the said defendant, and that the answer of the said defendant is very uncertain, evasive, and insufficient in law to be replied unto by this replicant; without that, that any other matter or thing in the said answer contained, material or effectual in the law to be replied unto, and not herein and hereby well and sufficiently replied unto, confessed or avoided, traversed or denied, is true; all which matters and things this replicant is ready to aver, maintain, and prove as this honorable court shall direct, and humbly prays as in and by its said petition it hath already prayed.

HENRY A. WISE,
United States Attorney.

Dated.

(Endorsed:) U. S. District Court, S. D. of N. Y. Filed Dec. 2, 1912.

356 In the United States District Court for the Southern District of New York.

THE UNITED STATES OF AMERICA, PETITIONER,
vs.
AMERICAN ASIATIC STEAMSHIP COMPANY AND others, defendants.
Equity, No. E 9–117.

This replicant, United States of America, saving and reserving to itself all and all manner of advantages of exception which may be had and taken to the manifold errors, uncertainties, and insufficiencies of the answer of the defendant Joseph T. Lilly, for replication thereunto saith that it doth and will aver, maintain, and prove its said petition to be true, certain, and sufficient in the law to be answered unto by the said defendant, and that the answer of the said defendant is very uncertain, evasive, and insufficient in law to be replied unto by this replicant; without that, that any other matter or thing in the said answer contained, material or effectual in the law to be replied unto and not herein and hereby well and

sufficiently replied unto, confessed or avoided, traversed or denied, is true; all which matters and things this replicant is ready to aver, maintain, and prove as this honorable court shall direct and humbly prays as in and by its said petition it hath already prayed.

HENRY A. WISE,
United States Attorney.

Dated.

(Endorsed:) U. S. District Court, S. D. of N. Y. Filed Dec. 2, 1912.

357 In the United States District Court for the Southern District of New York.

THE UNITED STATES OF AMERICA, PETITIONER,
vs.
AMERICAN ASIATIC STEAMSHIP COMPANY AND others, defendants. } Equity, No. E 9–117.

This replicant, United States of America, saving and reserving to itself all and all manner of advantages of exception which may be had and taken to the manifold errors, uncertainties, and insufficiencies of the answer of the defendant, Edward N. Norton, for replication thereunto saith that it doth and will aver, maintain, and prove its said petition to be true, certain, and sufficient in the law to be answered unto by the said defendant, and that the answer of the said defendant is very uncertain, evasive, and insufficient in law to be replied unto by this replicant; without that, that any other matter or thing in the said answer contained, material or effectual in the law to be replied unto and not herein and hereby well and sufficiently replied unto, confessed or avoided, traversed or denied, is true; all which matters and things this replicant is ready to aver, maintain, and prove as this honorable court shall direct and humbly prays as in and by its said petition it hath already prayed.

HENRY A. WISE,
United States Attorney.

Dated.

(Endorsed:) U. S. District Court, S. D. of N. Y. Filed Dec. 2, 1912.

358 In the United States District Court for the Southern District of New York.

THE UNITED STATES OF AMERICA, PETITIONER,
vs.
AMERICAN ASIATIC STEAMSHIP COMPANY AND others, defendants. } Equity, No. E 9–117.

This replicant, United States of America, saving and reserving to itself all and all manner of advantages of exception which may be

had and taken to the manifold errors, uncertainties, and insufficiencies of the answer of the defendant, Isthmian Steamship Company (Limited), for replication thereunto saith that it doth and will aver, maintain, and prove its said petition to be true, certain, and sufficient in the law to be answered unto by the said defendant, and that the answer of the said defendant is very uncertain, evasive, and insufficient in law to be replied unto by this replicant; without that, that any other matter or thing in the said answer contained, material or effectual in the law to be replied unto, and not herein and hereby well and sufficiently replied unto, confessed or avoided, traversed or denied, is true; all which matters and things this replicant is ready to aver, maintain, and prove as this honorable court shall direct, and humbly prays as in and by its said petition it hath already prayed.

HENRY A. WISE,
United States Attorney.

Dated.

(Endorsed:) U. S. District Court, S. D. of N. Y. Filed Dec. 2, 1912.

359 In the United States District Court for the Southern District of New York.

THE UNITED STATES OF AMERICA, PETITIONER,
vs.
AMERICAN ASIATIC STEAMSHIP COMPANY AND others, defendants.
} Equity, No. E 9–117.

This replicant, United States of America, saving and reserving to itself all and all manner of advantages of exception which may be had and taken to the manifold errors, uncertainties, and insufficiencies of the answer of the defendant, J. W. Ryan, for replication thereunto, saith that it doth and will aver, maintain, and prove its said petition to be true, certain, and sufficient in the law to be answered unto by the said defendant, and that the answer of the said defendant is very uncertain, evasive, and insufficient in law to be replied unto by this replicant; without that, that any other matter or thing in the said answer contained, material or effectual in the law to be replied unto, and not herein and hereby well and sufficiently replied unto, confessed or avoided, traversed or denied, is true; all which matters and things this replicant is ready to aver, maintain, and prove as this honorable court shall direct, and humbly prays as in and by its said petition it hath already prayed.

HENRY A. WISE,
United States Attorney.

Dated.

(Endorsed:) U. S. District Court, S. D. of N. Y. Filed Dec. 2, 1912.

360 (Indorsed:) United States Supreme Court. United States of America, petitioner, vs. American-Asiatic Steamship Co. et al., defendants. Volume A. Pleadings.

361 United States District Court, Southern District of New York.

Before Lacombe, Coxe, Ward, and Rogers, circuit judges.

THE UNITED STATES OF AMERICA, PETITIONER,
v.
PRINCE LINE (LIMITED) & OTHERS, DEFENDANTS.

THE UNITED STATES OF AMERICA, PETITIONER,
v.
AMERICAN-ASIATIC S. S. Co. & OTHERS, DEFENDANTS.

Opinion.

These are suits brought against defendants under the Sherman Antitrust Act. The appearances are:

For the U. S.: Ernest E. Baldwin, Stanley D. Montgomery.

For defendants: Burlingham Montgomery & Beecher, Convers & Kirlin, John C. Spooner, of counsel.

362 The records are separate, but both causes were heard on the same day and may conveniently be discussed in a single opinion. In each cause the petition alleges that for some years defendants have been engaged in an unlawful conspiracy to restrain trade and destroy competition in ocean carriage between ports in the United States and specified foreign ports, and to monopolize such trade. The relief prayed is that each of these alleged unlawful combinations be declared illegal, and that certain of their practices in conducting the business of their respective combinations be enjoined.

LACOMBE, C. J.

Petition against Prince Line & others.

The combination against which this proceeding is directed, composed of two British and two German steamship companies, has been practically dissolved as a result of the European War. In consequence the questions here presented have become largely academic, and it seems unnecessary to undertake any exhaustive discussion of the facts. A brief statement of the propositions contended for and of our disposition of them will be sufficient.

The combination, while it existed, was the well-known sort not infrequently found among ocean carriers, where two or more shipowners agree together as to the number of vessels they will operate in a particular trade, as to number of voyages to be made between specified ports, as to dates of sailings, as to exchange of freight

363 to be carried when the vessel of one or another line has her

the case taken as an illustration) 45 cents per unit is remunerative; that it covers cost and a reasonable profit. It does not seem to us, however, necessarily to follow that the 45 cents would be
367 re*re*munerative if it were not coupled with the agreement for exclusive shipments. I line providing regular sailings and undertaking to furnish sufficient space will presumably learn by experience enough of conditions at the several ports at different seasons to enable it to calculate with reasonable accuracy what amount of cargo it may expect from its shippers for any particular sailing. Making provision accordingly, the vessel sailing will take her departure with substantially a full cargo. But if when she reaches port it is discovered that the calculations as to expected cargo were correct, but that some of her largest regular shippers had sent their merchandise off the week before by some tramp steamer, the regular vessel will have to sail with much unfilled cargo space. A few experiences of this sort might well involve a loss equal to if not in excess of the 10%. We think the two things—rebate and exclusive shipments—are so closely and normally coupled together that in substance the situation is the same as it is when a lower price per unit is quoted for large shipments than for small ones. Such differentiation of price charged between large and small shipments is not unreasonable. (Int. C. C. v. B. & O. R. R., 145 U. S., 263.)

It is charged that defendants have refused to carry cargo at their own berth rates when there was unengaged space in their vessels. There is no attempt to prove this against all the defendants. Between one of them and the single shipper who makes the charge there was generated from prior transactions, occurring before
368 the combination, a degree of heat which has probably warped the testimony on both sides as to this refusal. The one side, admitting refusal in a few instances, asserts that there was not unengaged space at the time of refusal, an assertion not necessarily proved false by the vessel's subsequently sailing with some free space; prior engagements may have been cancelled. Witnesses for the shipper admit that their tenders of cargo were in the hope of "making out a case," either for action for treble damages or the iniation of this suit by the United States. The evidence is generally unsatisfactory, and it is hard to say where the truth lies, but on the whole we are inclined to condemn such practices by granting an injunction against the combination of defendents and its component members prohibiting refusal to receive cargo offerred at their regular rates, unless for good cause shown.

In view of the fact that the logic of events has turned this investigation into an autopsy, instead of a determination of live issues, it seems unnecessary to discuss the persuasiveness of the proofs offerred to show that the percentage of outward cargo from the United States carried by defendents grew 51% in 1908 to 54.7% in 1912.

There may be a decree for injunction as indicated supra without costs; in all other respects the bill is dismissed.

Petition against American-Asiatic Company.

This is a suit similar to the one above considered brought
369 under the Sherman Antitrust Act against a combination of the ocean steamship lines running from New York and Boston to ports in the Far East and return. There are eleven corporations defendant, 8 British, 2 U. S., and 1 German. The acts complained of are the usual ones—conferences, agreements, pooling arrangements, regulation of number of vessels employed, of ports visited, and of sailing dates, regulation of rates, provisions for rebates, not secret, but open to all and uniform, etc., etc. All of these, or some of them, it is contended, constitute a restraint of trade and an attempt to monopolize under the act. From a study of the multitudinous decisions, not always harmonious, construing this act, the conclusion is reached that a violation of the act is not made out by theories of what will be the result upon trade and commerce of agreements entered into by defendants, or upon presumptions as to what may have been done under such agreements. Some actual unreasonable interference with the natural course of trade must be shown by proof.

In most, if not in all, cases of this character many of the witnesses called by the Government necessarily come from the offices of the defendants. From them only can it be best established what agreements were made and what action under such agreements was taken by the parties thereto. In all cases to which attention has been called, however, this testimony is supplemented by other evidence given by witnesses who complain of some injury; some one asserts that the rates charged him are excessive or that his business has
370 been in some way interfered with or harassed or hampered by defendant's conduct.

No such witness has appeared in this case; no shipowner, no shipper or consignee, no manufacturer, merchant, or trader, large or small, in the United States or in the Far East is here with any complaint. Persons engaged in the trade which, it is alleged, is restrained, sit mute; every one seems to be reasonably well satisfied with existing conditions except the Government, which contends that the agreements themselves, carried out according to their terms, constitute a violation of the act, i. e. (as it is now construed), that they evidence an "unreasonable restraint of trade." It further suggests as a reason for dissolving the combination that when the Panama Canal is in full operation "there is no reason to suppose that traffic through (it) would escape the domination of defendants, if they were able to control it."

When from carriers and former carriers and prospective carriers of merchandise between the specified ports, and from persons interested in the manufacture, transportation, sale, and purchase of such merchandise there comes no complaint, it seems a fair inference that whatever restraints may have resulted from defendant's combination and conduct are merely the usual, normal, and reasonable restraints against which it has been held the Sherman Act is not directed.

Defendant's conference agreement contains a provision for "fighting ships." If there were evidence that any steps had ever been taken towards putting one on, we should be inclined to grant an injunction similar to the one we granted in U. S. v. Hamburg-
371 American Company et al. (F. R.); but since there is no such evidence in this case, we see no reason for granting that relief.

The bill is dismissed as to all the defendants.

All concur.

(Endorsed:) U. S. District Court, S. D. of N. Y. Filed Feb. 3, 1915.

372 At a stated term of the United States District Court held in and for the Southern District of New York, at the United States courthouse and post-office building, Borough of Manhattan, city of New York, on the 11th day of March, 1915.

Present: Hon. E. Henry Lacombe, Hon. Alfred C. Coxe, Hon. Henry G. Ward, Hon. Henry Wade Rogers, circuit judges.

UNITED STATES OF AMERICA, PETITIONER,
vs.
AMERICAN-ASIATIC STEAMSHIP COMPANY, ET AL., defendants. In Equity, No. 9–117.

Final decree.

The United States of America having filed its petition herein on the 30th day of March, 1912, and the defendants, Dodwell & Co. (Limited); Bucknall Steamship Lines (Ltd.); Skeffington S. Norton; Joseph T. Lilly; Edward N. Norton; Prince Line (Ltd.); New York & Oriental Steamship Co. (Ltd.); Lancashire Shipping Co. (Ltd.); Rankin, Gilmour & Co. (Ltd.); Barber & Co. (Inc.); Herbert Barber; James Barber; A. Houtman; American-Asiatic Steamship Co.; Hamburg-Amerikanische-Packetfahrt Aktien-Gesellschaft; Indra Line (Ltd.); Houlder, Weir & Boyd (Inc.); Howard Houlder & Partners (Ltd.); Houlder, Middleton & Co. (Ltd); William Barclay Parsons; Robert H. Blake; William Boyd; Robert A. Sewell; Wilhelm Voelkens; Paul Gottheil; William L. Walther; Thomas A. Sparks; Hans W. Voelkens; Robert H. Goodwin; and Anglo-American Oil Co. (Ltd.), having duly appeared and
373 answered herein;

Now, therefore, comes the United States of America, by H. Snowden Marshall, Esq., United States attorney for the southern district of New York, and Ernest E. Baldwin and Stanley D. Montgomery, special assistants to the United States Attorney General, and come also the defendants by their solicitors, Spooner & Cotton, Convers & Kirlin, Burlingham, Montgomery & Beecher, Simpson, Thacher & Bartlett, and Davies, Auerbach & Cornell; and the said cause having duly come on to be heard before the Hon. E. Henry

Lacombe, Alfred C. Coxe, Henry G. Ward, and Henry Wade Rogers on the pleadings and proof, and the petitioner having moved the court for an injunction in accordance with the prayer of the petition;

Wherefore it is hereby ordered, adjudged, and decreed:

1. As to all prayers for relief the petition is dismissed without costs to either side.

Dated New York, March 11th, 1915.

E. HENRY LACOMBE.
ALFRED C. COXE.
H. G. WARD.
HENRY WADE ROGERS.

(Endorsed:) U. S. District Court, S. D. of N. Y. Filed Mar. 18, 1915.

374 United States District Court, Southern District of New York.

UNITED STATES OF AMERICA, PETITIONER, *vs.* AMERICAN-ASIATIC STEAMSHIP COMPANY ET AL., defendants.	In Equity, No. 9–117.

Notice of appeal.

SIRS: Please take notice that we will present to the judges of the circuit court of appeals, sitting as the expedition district court, at the chambers of Judge Lacombe, United States courthouse and post-office building, Borough of Manhattan, New York City, on the 19th day of April, 1915, at 10 o'clock a. m., the foregoing petition for appeal for the allowance thereof.

Dated New York, April 13th, 1915.

Yours, etc.,

H. SNOWDEN MARSHALL,
United States Attorney.

(Office and post-office address, room 202, U. S. courthouse and post-office building, Borough of Manhattan, New York City, N. Y.)

ERNEST E. BALDWIN,
Special Assistant to the Attorney General.

(Office and post-office address, 42 Broadway, Manhattan Borough, New York City.)

To:

CONVERS & KIRLIN, Esqrs.,
27 William Street, New York City.
SIMPSON, THACHER & BARTLETT,
62 Cedar Street, New York City.
BURLINGHAM, MONTGOMERY & BEECHER,
29 William Street, New York City.
DAVIES, AUERBACH & CORNELL,
34 Nassau Street, New York City.
Solicitors for Defendants.

375 United States District Court, Southern District of New York.

UNITED STATES OF AMERICA, PETITIONER,
vs.
AMERICAN-ASIATIC STEAMSHIP COMPANY ET AL., defendants.
} In Equity, No. 9–117.

Petition for appeal and allowance.

To the honorable judges of the United States District Court for the Southern District of New York:

Now comes the United States of America, petitioner in the above-entitled case, by its solicitors, H. Snowden Marshall, Esq., United States attorney for the Southern District of New York, and Ernest E. Baldwin, Esq., special assistant to the Attorney General of the United States, and conceiving itself aggrieved by the order and final decree made and entered by the above-named court in the above-entitled cause on the 18th day of March, 1915, in the manner and instances set forth in its assignment of error filed in the said cause, to which reference is hereby made, does hereby pray an appeal therefrom to the present term of the Supreme Court of the United States.

And the United States further prays that a transcript of the record, proceedings, and papers on which the decree was made and entered, duly authenticated, may be transmitted forthwith to the Supreme Court of the United States; and it further prays that, pursuant to No. 75 of the Rules and Practice of Equity promulgated by
376 the Supreme Court of the United States, effective February 1st, 1913, the testimony may be reproduced in the transcript of the record in the exact words of the witnesses.

H. SNOWDEN MARSHALL,
United States Attorney.
(Office and post-office address, room 202 U. S. courthouse and post-office building, Borough of Manhattan, New York City.)

ERNEST E. BALDWIN,
Special Assistant to the Attorney General,
(Office & post-office address, 42 Broadway, Manhattan Borough, New York City.)

Appeal allowed.
May 5th, 1915.
E. HENRY LACOMBE,
U. S. Circuit Judge, Sitting in District Court.

377 United States District Court, Southern District of New York.

UNITED STATES OF AMERICA, PETITIONER,
vs.
AMERICAN-ASIATIC STEAMSHIP COMPANY ET AL., defendants.
} In Equity, No. 9–117.

Order allowing appeal.

This cause came on to be heard at this term and was argued by

Ordered, adjudged, and decreed that an appeal be and hereby is granted and allowed as prayed, and that the clerk of the above-named court be, and hereby is, directed to transmit forthwith to the Supreme Court of the United States a duly authenticated transcript of the records, papers, and proceedings; and it is hereby further

Ordered, adjudged, and decreed that the testimony be reproduced in the transcript of the record in the exact words of the witnesses.

Dated May 5, 1915.

E. HENRY LACOMBE,
ALFRED C. COXE,
HENRY G. WARD,
HENRY WADE ROGERS,
Circuit Judges.

(Endorsed:) U. S. District Court, S. D. of N. Y. Filed May 6, 1915.

378 United States District Court, Southern District of New York.

UNITED STATES OF AMERICA, PETITIONER,
against
AMERICAN-ASIATIC STEAMSHIP COMPANY ET al., defendants.
} In Equity, No. 9–117.

Notice of assignments of error.

SIRS: Please take notice that we will present to the judges of the Circuit Court sitting as an Expedition District Court at the chambers of Judge Lacombe, United States courthouse and post-office building, Borough of Manhattan, City of New York, on the 19th day of April, 1915, at 10.00 o'clock in the forenoon, the foregoing assignments of error on behalf of the petitioner, the United States of America.

Dated New York, April 13th, 1915.

Yours, etc.,

H. SNOWDEN MARSHALL,
U. S. Attorney,

(Office & post-office address, room 202, U. S. courthouse and post-office building, Borough of Manhattan, New York City.)

ERNEST E. BALDWIN,
Special Assistant to the Attorney General,

(Office & post-office address, 42 Broadway, Manhattan Borough, New York City.)

Solicitors for Petitioner.

To:

CONVERS & KIRLIN, Esqrs.,
27 William Street, New York City.
SIMPSON, THACHER & BARTLETT,
62 Cedar Street, New York City.
DAVIES, AUERBACH & CORNELL,
34 Nassau Street, New York City.
BURLINGHAM, MONTGOMERY & BEECHER,
29 William Street, New York City.
Solicitors for Defendants

379 At a stated term of the United States District Court held in and for the Southern District of New York at the United States courthouse and post-office building, Borough of Manhattan, City of New York, on the 13th day of April, 1915.

Present: Hon. E. Henry Lacombe, Hon. Alfred C. Coxe, Hon. Henry G. Ward, Hon. Henry Wade Rogers, circuit judges.

UNITED STATES OF AMERICA, PETITIONER, *against* AMERICAN-ASIATIC STEAMSHIP COMPANY ET al., defendants.	In Equity, No. 9–117.

Assignments of error.

Now comes the United States of America, by H. Snowden Marshall, United States attorney, and Ernest E. Baldwin, special assistant to the Attorney General, solicitors for the petitioner, and files the following assignments of error upon which the United States of America will rely upon its appeal from the decree made by this honorable court on the 17th day of March, 1915, in the above-entitled cause:

I.

That said court erred in failing to hold and decree that the defendants, Dodwell & Co. (Limited), Bucknall Steamship Lines (Ltd.), Skeffington S. Norton, Joseph T. Lilly, Edward N. Norton, Prince Line (Ltd.), New York & Oriental Steamship Co. (Ltd.), Lancashire Shipping Co. (Ltd.), Rankin Gilmour & Co. (Ltd.), Barber & Co. (Inc.), Herbert Barber, James Barber, A. Houtman, American-Asiatic Steamship Co., Hamburg Amerikanische-Packetfahrt
380 Aktien-Gesellschaft, Indra Line, (Ltd.), Houlder, Weir & Boyd (Inc.), Howard Houlder & Partners (Ltd.), Houlder, Middleton & Co. (Ltd.), William Barclay Parsons, Robert H. Blake, William Boyd, Robert A. Sewell, Wilhelm Voelkens, Paul Gottheil, William L. Walther, Thomas A. Sparks, Hans W. Voelkens, Robert H. Goodwin, and Anglo-American Oil Co. (Ltd.), have been for a long time past continuously and now are engaged in a combination and conspiracy unreasonably and directly to restrain a part of the trade and commerce of the United States with foreign nations, to wit: Between ports on the eastern or Atlantic coast of the United States and ports of the Philippine Islands and China, Japan, and other countries in the Far East, in the transportation of freight, contrary to the act of Congress of July 2, 1890, entitled "An act to protect trade and commerce against unlawful restraints and monopolies," and the acts supplementary thereto and amendatory thereof.

II.

That the said court erred in failing to hold and decree that the said defendants had been combining and conspiring together to monopolize, and had in fact monopolized and do monopolize, that part of the said trade and commerce of the United States with said foreign nations which consists of the transportation of freight between ports on the eastern or Atlantic coast of the United States and ports of the Philippine Islands and China, Japan, and other foreign countries in the Far East, in violation of and contrary to the said acts of Congress.

III.

381 That the said court erred in refusing to hold and decree that for a long period of time the said defendants had been continuously and now are engaged in the Southern District of New York in a combination and conspiracy to destroy all competition between themselves in the business of transporting freight by steamship between ports on the eastern or Atlantic coast of the United States and ports in the Philippine Islands, China, Japan, and other countries in the Far East, and to eliminate, suppress, and destroy all competition in such trade and commerce by any and all persons and corporations other than themselves.

IV.

That the said court erred in refusing to hold and decree that at all said times the said defendants have been continuously and now are so combining and conspiring to monopolize, and in fact have and continue now to monopolize, said trade and commerce.

V.

That the said court erred in refusing to hold and decree that the agreement dated April 13, 1905, called the "eastward agreement" (petitioner's Exhibit 1 of the amended petition), is illegal and in violation of the said act of Congress and the acts supplementary thereto and amendatory thereof.

VI.

That the said court erred in refusing to hold and decree that the agreement dated April 13, 1905, called the "westward agreement" (Exhibit 2 of the amended petition), was illegal and in violation of the said acts of Congress.

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VII.

That the said court erred in refusing to hold and decree that the agreement dated April 13, 1905, known as the "pooling agreement" (Exhibit 3 of the amended petition) is illegal and in violation of the said acts of Congress.

VIII.

That the said court erred in refusing to hold and decree that the pooling regulations (Exhibit 4 of the amended petition) adopted and promulgated on the 28th day of April, 1906, in London and Liverpool, in pursuance to said agreement and the schedules embraced therein, are illegal and in violation of said act of Congress and the acts supplementary thereto and amendatory thereof.

IX.

That the said court erred in refusing to hold and decree that the said agreements and pooling rules constitute and are of and in themselves a combination and conspiracy and agreements to directly restrain trade and commerce between the United States and said foreign countries and violative of said acts of Congress.

X.

That the said court erred in refusing to hold and decree that the said agreements and rules constitute and are in themselves an attempt to monopolize the commerce and trade between the United States and said foreign countries.

XI.

383 That the said court erred in refusing to issue an injunction restraining and prohibiting the defendants, and each and every one of them, their officers, agents, servants, employees, representatives, and attorneys, from doing any act in pursuance or in furtherance of said agreements and rules.

XII.

That the said court erred in refusing to order the said defendants and each and all of them to desist and withdraw from all connections with the said agreements and rules.

XIII.

That the said court erred in refusing to order and compel the defendants, American-Asiatic Steamship Company and the defendants constituting the same; Anglo-American Oil Company

(Ltd.), and the defendants constituting the same; the United States and China and Japan Line, and the defendants constituting the same; the American-Oriental Line, and the defendants constituting the same; the Dodwell Line and the defendants constituting the same; and the American–Manchurian Line, and the defendants constituting the same, to cancel and abate said unlawful contracts, agreements, and rules.

XIV.

That the said court erred in refusing to hold and decree that all and any rebates, bonuses, or reductions from freight rates in any form or guise whatsoever, in consideration or because of shippers forwarding their shipments exclusively over the lines of the defendants, or some of them, were illegal and violative of the said
384 acts of Congress, and were acts done to monopolize the commerce between the United States and the said foreign countries.

XV.

That the said court erred in refusing to enjoin the said defendants, and all of them, from paying or offering to pay any further rebates, bonuses, or making any reductions of freight rates in any form or guise whatsoever, in consideration or because of shippers forwarding their shipments exclusively over the lines of the defendants, or some of them.

XVI.

That the said court erred in refusing to enjoin and prohibit the defendants, and each and all of them, from further agreeing, combining, conspiring, and acting together to establish and maintain rules, regulations, and rates for carrying freight upon the several steamships operated by the defendants, or any of them, between ports of the United States and the Philippine Islands and the said Asiatic ports, and from entering into or continuing in or doing anything in aid of any combination, association, contract, or conspiracy to deprive individuals, firms, or corporations shipping freight between the United States and the Philippine Islands and the said Asiatic ports, or between said Philippine Islands and the Asiatic ports and the United States, of such facilities and rates of freight as would be afforded by free and unrestrained competition among said defendant steamship lines, or any of them.

XVII.

That the said court erred in refusing to cancel the said agree-
385 ments, rules, and schedules, and each and every one of the same, and in failing to enjoin and cancel the terms thereof.

XVIII.

That the said court erred in refusing to enjoin and restrain the defendants, each and all of them, their agents, attorneys, servants, and employees, from entering into or taking part in or performing any contract or combination provided for or growing out of said agreements and rules, or any of them, or by directly or indirectly establishing prices and rates that shall be charged for the service of the transportation of freight between the said ports of the United States and the Philippine Islands and the said countries of the Far East.

XIX.

That the said court erred in refusing to enjoin and restrain the said defendants, each and all of them, their agents, attorneys, servants, and employees from taking part in or performing or doing anything under or pursuant to said contracts, agreements, or rules, or entering into or taking part in any contract, combination, or conspiracy the object of which is to divide the traffic among the different defendant steamship lines, with a view to the imposition of any burden or limitation upon the service of transporting freight or apportioning the same.

XX.

That the said court erred in refusing to enjoin and restrain the said defendants, each and all of them, their agents, attorneys, servants, and employees, from taking part in or performing or doing anything under or pursuant to said agreements, contracts, or rules, by contracting or agreeing together, directly or indirectly, expressly or impliedly, to contribute any part of the proceeds received for the transportation of said freight to any pool or general fund made from such contributions for the purpose of paying rebates or attempting to control or restrain competition among the various lines of the defendants.

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XXI.

That the said court erred in refusing to enjoin the defendants, each and all of them, from apportioning the sailings which each of the said steamship lines should be allowed per annum.

XXII.

That the said court erred in refusing to enjoin and restrain the defendants, and each and all of them, from establishing or attempting to establish or maintain a rebate system as contemplated by and provided for in said agreements and rules.

XXIII.

That the said court erred in refusing to enjoin and restrain the defendants, and each and all of them, from establishing uniform rates to be adhered to by the defendant steamship lines, or any of them.

XXIV.

That the said court erred in failing to hold and decree that the arbitrary fixing of rates to be charged for transportation of
387 freight between said ports and countries and the apportioning of sailings between the defendant steamship lines, was violative of the said acts of Congress.

XXV.

That the said court erred in refusing to hold that the rates charged for the transportation of freight between the said ports and countries were unreasonable.

XXVI.

That the said court erred in failing to hold and decree that the defendant steamship lines have entered into a combination and conspiracy to fix, and have arbitrarily fixed, rates for the purpose of controlling and diverting the trade and commerce of the United States contrary to the said acts of Congress.

XXVII.

That the said court erred in failing to hold and decree that the entering into the said agreements and rules were of themselves a combination, conspiracy, and agreements in restraint of the foreign trade and commerce of the United States.

XXVIII.

That the said court erred in holding that when from carriers and former carriers and prospective carriers of merchandise between the specified ports, and from persons interested in the transportation and sale of said merchandise, there comes no complaint, it seems a fair inference that whatever restraints may have resulted from defendants' combination and conduct are merely the usual, normal, and reasonable restraints against which it has been held the Sherman Act is not directed.

388 XXIX.

That the said court erred in refusing to enjoin and restrain the defendants, each and all of them, from taking any steps to establish "fighting ships" under and pursuant to the said agreements and rules.

XXX.

That the said court erred in holding that some actual unreasonable interference with the normal course of trade must be shown by proof to entitle the Government to an injunction or other relief asked for in the amended petition.

XXXI.

That the said court erred in refusing to hold and decree that the entering into and making of said agreements and rules, and the acts and activities of the defendants thereunder, was for the purpose of eliminating competition between the defendant steamship lines, and therefore constituted a combination and conspiracy in restraint of the foreign trade and commerce of the United States.

XXXII.

That the said court erred in failing to grant the prayers of said petitioner, and each of them, as prayed for.

XXXIII.

That the said court erred in dismissing the amended petition.

389 Wherefore, in order that the foregoing assignments of error may be and appear of record, said petitioner presents the same to the court, and prays that such disposition be made thereof as is in accordance with law and the statutes of the United States in such cases made and provided; and said petitioner prays a reversal of said decree, so as to bring it within the laws of the United States in such cases made and provided, and that an order may be entered granting said petition and the prayers thereof as to each and every one of said defendants, and such other and further relief to the petitioner as to the court may seem meet or just in the premises.

Dated New York, April 13th, 1915.

H. SNOWDEN MARSHALL,
U. S. Attorney,
(Office & post office address, room 202, U. S. courthouse and post office building, Borough of Manhattan, New York City.)

ERNEST E. BALDWIN,
Special Assistant to the Attorney General.
(Office & post office address, 42 Broadway, Manhattan Borough, New York City, N. Y.)

(Endorsed:) U. S. District Court, S. D. of N. Y. Filed May 6, 1915.

390 United States District Court, Southern District of New York.

UNITED STATES OF AMERICA, PETITIONER,
against
AMERICAN-ASIATIC STEAMSHIP COMPANY et al., defendants.
In Equity, No. 9/117.

Citation.

By the honorable E. Henry Lacombe, one of the circuit judges, sitting in the District Court of the United States for the Southern District of New York in the Second Circuit.

To Dodwell & Co. (Limited), Bucknall Steamship Lines (Ltd.), Skeffington S. Norton, Joseph T. Lilly, Edward N. Norton, Prince Line (Limited), New York & Oriental Steamship Co. (Limited), Lancashire Shipping Co. (Limited), Rankin, Gilmour & Co. (Limited), Barber & Co. (Inc.), Herbert Barber, James Barber, A. Houtman, American-Asiatic Steamship Co., Hamburg-Amerikanische-Packetfahrt Aktien-Gesellschaft, Indra Line (Limited), Houlder, Weir & Boyd (Inc.), Howard Houlder & Partners (Ltd.), Houlder, Middleton & Co. (Ltd.), William Barclay Parsons, Robert H. Blake, William Boyd, Robert A. Sewell, Wilhelm Voelkens, Paul Gottheil, William L. Walther, Thomas A. Sparks, Hans W. Voelkens, Robert H. Goodwin, and Angle-American Oil Co. (Ltd.)—Greeting:

You are hereby cited and admonished to be and appear before a Supreme Court of the United States to be holden at the city of Washington in the District of Columbia, on the 14th day of May,
391 1915, pursuant to an appeal filed in the clerk's office of the District Court of the United States for the Southern District of New York, from a judgment and decree made on or about the 17th day of March, 1915, in a certain proceeding wherein the United States is petitioner, and the American-Asiatic Steamship Company et al. are defendants, and wherein the United States of America is appellant and you are respondents, to show cause, if any there be, why the judgment and decree in said appeal mentioned should not be corrected and speedy justice should not be done in that behalf.

Given under my hand at the borough of Manhattan, in the city of New York, in the district and circuit above named, this 5th day of May, in the year of our Lord one thousand nine hundred and fifteen and of the independence of the United States one hundred and thirty-ninth.

[SEAL.] E. HENRY LACOMBE,
Circuit Judge sitting in the District Court of the United States for the Southern District of New York in the Second Circuit.

392 (Indorsed:)

United States District Court, Southern District of New York. Eg. 117. United States of America, petitioner, against American-Asiatic Steamship Company et al., defendants. Original. Citation. Ernest E. Baldwin, special assistant to Attorney General, office & P. O. address, 42 Broadway, Manhattan Borough, New York City.

Due service of a copy of the within citation is hereby admitted this 6th day of May, 1915. Copy rec'd May 6, 1915. Davies, Auerbach & Cornell, solicitors for deft. Anglo-American Oil Co. (Ltd.); Lewis, Kerr & Barett, solicitors for deft. Barber & Co.; Convers & Kirlin, solicitors for deft.

(Stamped:)

Copy received May 6, 1915. Burlingham, Montgomery & Beecher.
Filed May 6, 1915. U. S. District Court, S. D. of N. Y.

393 United States District Court, Southern District of New York.

UNITED STATES OF AMERICA, PETITIONER, *vs.* AMERICAN-ASIATIC STEAMSHIP COMPANY ET AL., defendants.	In Equity, 9–117.

Praecipe.

ALEX. GILCHRIST, Jr.,
Clerk U. S. District Court,
Southern District of New York:

You will please take notice that the portions of the record to be incorporated in the transcript on the appeal of the petitioner, represented by the undersigned, are as follows:

1. Petition.
2. Affidavit and order amending petition.
3. Amended petition.
4. Answers of defendants.
5. General replications.
7. Record used in district court.
8. Decision of court on hearing of the facts in the record.
9. Decree of the court.
10. Proceedings after decree.

Dated, New York, N. Y., May 12th, 1915.

H. SNOWDEN MARSHALL,
U. S. Attorney,
(Office & post-office address, room 202, U. S. courthouse and post-office building, Borough of Manhattan, New York City),

ERNEST E. BALDWIN,
Special Assistant to the Attorney General,
(42 Broadway, Manhattan Borough, New York City),
Solicitors for petitioner.

394 United States of America, Southern District of New York, ss.

UNITED STATES OF AMERICA, PETITIONER, *vs.* AMERICAN-ASIATIC STEAMSHIP COMPANY AND OTHERS, defendants.	Eq. 9–117.

I, Alexander Gilchrist, jr., clerk of the District Court of the United States of America for the Southern District of New York, do hereby certify that the foregoing record, viz, four volumes—

Vol. A, Pleadings, pages 1 to 359;
Vol. I, Testimony of Witnesses for Petitioner, pages 1 to 457;
Vol. II, Petitioner's Exhibits, pages 459 to 639;
Vol. III, Testimony of Witnesses for Defendants, Defendants' Exhibits, Opinion, Decree, and Appeal Papers, pages 641 to 860—

is a correct transcript of the record of the said district court in the above-entitled matter. A copy of the praecipe filed in my office designating the papers to be incorporated in said transcript of record is annexed hereto.

In testimony whereof, I have caused the seal of the said court to be hereunto affixed, at the city of New York, in the Southern District of New York, this 24th day of May, in the year of our Lord one thousand nine hundred and fifteen, and of the independence of the said United States the one hundred and thirty-ninth.

[SEAL.] ALEX. GILCHRIST, *Clerk.*

(Indorsement on cover:) United States Supreme Court. United States of America, petitioner vs. American-Asiatic Steamship Company and others, defendants. Volume III. Transcript of record. Appeal from the District Court of the United States for the Southern District of New York.

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In the Supreme Court of the United States.

OCTOBER TERM, 1916.

THE UNITED STATES, APPELLANT,
v.
AMERICAN-ASIATIC STEAMSHIP COMPANY et al. } No. 138.

APPEAL FROM THE DISTRICT COURT OF THE UNITED STATES FOR THE SOUTHERN DISTRICT OF NEW YORK.

MOTION TO REVERSE THE DECREE OF THE DISTRICT COURT AND TO REMAND THE CASE WITH INSTRUCTIONS TO DISMISS THE PETITION WITHOUT PREJUDICE.

Comes now the United States, by the Solicitor General, and represents as follows:

This is a suit under the Federal Antitrust Act by the United States against a combination composed of British, German, and American steamship companies operating between ports in America and ports in the Far East. The charge of combination is founded primarily upon certain agreements entered into by and between the defendants on April 13, 1905, known as the Eastward Agreement, the Westward Agreement and the Pooling Agreement. These

agreements provided, amongst other things, (*a*) for fixing the total number of sailings and apportioning them among defendant lines, (*b*) for a system of rebates to be paid shippers who confined their shipments to members of the combination, (*c*) for a uniform schedule of rates to be established by joint action of defendants' agents, and (*d*) for the pooling of all earnings to be thereafter distributed among the defendants upon an agreed basis. (Pet. 4, R. 7–9.)

The petition was filed on March 30, 1912, and by the time the case was reached for hearing in the District Court, the present European war had broken out. Notwithstanding this fact the lower court proceeded to consider and dispose of the case on the merits. The decision was adverse to the Government, the court holding that the Eastward, Westward and Pooling Agreements, and the acts committed in pursuance thereof, did not constitute an "unreasonable" restraint of trade and therefore did not violate the Antitrust Act. (220 Fed. 230, 235.) Accordingly, a final decree was entered dismissing the Government's petition as to all defendants absolutely. (4 R. 226–227.)

Subsequent to the decision of the lower court herein this Court handed down its decision in the case of *United States* v. *Hamburg-American Company et al.*, 239 U. S. 466, which involved a combination of British, Canadian, Russian, German, American, and Dutch steamship companies to control steerage traffic between European and American ports. In that case, as in the case at bar, the decision of the

lower court on the merits was in the main adverse to the Government, the ground of decision being the same as in the present case, namely, that the acts complained of did not constitute an "unreasonable" restraint of trade. (216 Fed. 971, 974.) And in that case, as in the case at bar, the court dismissed absolutely the principal prayers of the Government's petition.

This court, after a careful review of the facts and the contentions of the parties, held, (*a*) that, as an inevitable legal consequence springing from the present European war, the case had become moot; (*b*) that this was a matter of which the court might take judicial notice; and (*c*) that it was not the province of the court to pass upon the issues presented because of their want of present actuality. (239 U. S. 466, 475.) But the court recognized the injustice of permitting the decree of the lower court on the merits to stand after the Government, through no fault of its own, had been deprived of its right to a review, and directed that the decree of the lower court be reversed and that the case be remanded with instructions to dismiss the petition without prejudice.

> Coming to consider the question in that light and in view of the nature and character of the conditions which have caused the case to become moot, we are of opinion that the ends of justice exact that the judgment below should not be permitted to stand when without any fault of the Government there is no power to review it upon the merits, but that it should

> be reversed and the case be remanded to the court below with directions to dismiss the bill without prejudice to the right of the Government in the future to assail any actual contract or combination deemed to offend against the Anti-Trust Act. (*Id.* 478.)

In view of the substantial identity in this regard between the *Hamburg-American* case and the case at bar, it is evident that they should be similarly dealt with. It is therefore moved that the decree of the District Court be reversed and that the case be remanded with instructions to dismiss the petition without prejudice.

JOHN W. DAVIS,
Solicitor General.
G. CARROLL TODD,
Assistant to the Attorney General.

NOVEMBER, 1916.

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